FILED
AUG 8 1969
JOHN F. DAVIS, CLERK

IN THE

Supreme Court of the United States

October Term, [redacted] 1969

No. 445

STANDARD INDUSTRIES, INC.,

Petitioner,

vs.

TIGRETT INDUSTRIES, INC., ET AL.,

Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

MAXIMILIAN BADER,
I. WALTON BADER,
Attorneys for Petitioner,
274 Madison Avenue,
New York, New York 10016.

INDEX

PAGE

Jurisdiction 2

Time 2

Opinions of the Courts Below 2

Reasons Why This Petition Should Be Granted ... 2

The Factual Situation on This Appeal 4

POINT I.—By reason of the change in the law which occurred after the determination of this Court in *Lear* v. *Adkins*, *supra*, the Court must consider the validity of the licensed patents and the failure of the Courts below to do so constitutes error 6

POINT II.—The patent involving the "Golden Convertible" is clearly invalid as a matter of law 8

POINT III.—The Courts below erred in applying the "Doctrine of Equivalents" in this case since this doctrine cannot be used to bring a structure concededly outside the claims of the licensed patent within such claims. This Court has restricted the "Doctrine of Equivalents" in articles involving a very crowded art to such an extent that it practically has no application. Furthermore, the file history of the patent involved shows that the limitation relating to "a pair of spaced openings" was made because of a rejection by the Patent Office Examiner and the structure disclaimed can never be recaptured 9

PAGE

POINT IV.—The failure of the Courts below to find that the underlying written agreement was cancelled by its terms constitutes a violation of the constitutional rights of the petitioner 11

CONCLUSION 13

Appendix to Writ of Certiorari

Decision of the United States District Court for the Western District of Tennessee 1a

Decision of the United States Circuit Court of Appeals for the Sixth Circuit 11a

---

Table of Cases

Bayside-Flushing Gardens v. Bevermann, 36 Fed. Sup. 706 (1941) 12

Beatty Safway Scaffold, Inc. v. Skrable, 4 Cal. Rptr. 543 13

Bigelow-Sanford Carpet Co. v. Missouri Furniture, Inc., 349 S. W. (2nd) 43 13

Brewster v. Kable News Co., 262 App. Div. 894 (1941) 13

Drake v. Hardman, 30 FRD 394 (1962) 12

Electrosonics International, Inc. v. Wurlitzer Co., 234 Fed. Sup. 913 (1964) 12

PAGE

Glus v. Brooklyn Eastern District Terminal, 359 US 231 4

Graham v. John Deere Co. of Kansas City, 383 US 1 3, 9

Kaiser Steel Corp. v. W. S. Ranch Co., 391 US 593 4

Lear v. Adkins, —— US ——, 23 L Ed 2d 610 1, 2, 3, 4, 6, 7

Mason v. Electrol, Inc., 292 N. Y. 482, 55 N. E. (2nd) 747 (1944) 12

N. L. R. B. v. Cone Mills Corp., 3732 Fed. (2nd) 595, 4th Cir. (1967) 13

Nickerson v. Bearfoot Sale Co., 311 Fed. (2nd) 858 10

Noah v. L. Daitch & Co., 192 N. Y. S. (2nd) 380 (1959) 13

Pure Oil Company v. Suarez, 384 U. S. 202 3

Rooks v. Playee, 188 N. E. (2nd) 251 13

Scott Paper Co. v. Marcalus Manufacturing Co., 326 US 249 (1945) 6

Westinghouse Electric and Manufacturing Co. v. Formica Insulation Co., 266 US 342 (1924) ... 6

Statutes Cited

28 U. S. C. 1254 (1) 2

28 U. S. C. 2101(c) 2

IN THE

Supreme Court of the United States

OCTOBER TERM, 1968.

No. ____

STANDARD INDUSTRIES, INC.,

Petitioner,

v.

[illegible] INDUSTRIES, INC., *et al.*,

Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

Standard Industries, Inc., the petitioner herein, hereby petitions this Court for a writ of certiorari to the United States Court of Appeals for the Sixth Circuit. Petitioner contends that the determination of the United States Court of Appeals for the Sixth Circuit is not in accordance with the applicable law and furthermore is directly contrary to the determination of this Court in *Ford v. Milton* [illegible] U.S. [illegible] (1951). Petitioner contends that the determination of the United States Court of Appeals for the Sixth Circuit should be reversed, petitioner be paid royalties by the respondents from certain constructions, should be, in all respects reversed and the complaint dismissed.

Jurisdiction

This Court obtains jurisdiction of this application pursuant to 28 U. S. C. 1254 (1), which provides for review of any determination of a Court of Appeals by Writ of Certiorari.

Time

This application is made within ninety days of the date of the determination complained of herein as required by 28 U. S. C. 2101(c).

Opinions of the Courts Below

See appendix.

Reasons Why This Petition Should Be Granted

The determinations of both of the courts below were predicated upon the rule (which was in force prior to the determination of this Court in *Lear* v. *Adkins*, *supra*) to the effect that a licensee of a patent could not question the validity of the patent under which such party was licensed in the absence of fraud, patent misuse, or other inequitable conduct on the part of the licensor. This prior rule has now been changed by the determination of this Court in *Lear* v. *Adkins*, *supra*; which determination was made subsequent to the decision of the Court of Appeals in this case, and it is important for this Court to determine whether the *Lear* decision is to be given retroactive effect.

The determinations of the courts below were likewise in error because of a strained interpretation of the so-called "doctrine of equivalents." If such a determination were not reviewed by this Court, a licensee under a patent would not be entitled to rely upon the plain and specific

language of the claims in the patent. The determinations of the courts below were directly contrary to the prior decision of this Court in *Graham* v. *John Deere Co. of Kansas City*, 383 US 1 and therefore should be reversed by this Court.

In addition, the courts below have ignored clear contractual provisions in the underlying agreements involved which constitutes a violation of the "due process" clause of the Fifth Amendment of the Constitution of the United States.

The questions involved in this case should be reviewed by this Court because of the fact that the courts below have failed to follow controlling decisions of this Court and it is necessary for this Court to issue a determination to guide the lower courts in their future determinations of similar questions. This has always been held to be grounds for the issuance of a Writ of Certiorari. See, for example, *Pure Oil Company* v. *Suarez*, 384 U. S. 202.

The second question of great importance in this case involves the future interpretation to be placed by this Court upon the *Lear* decision. This Court should guide the lower courts to determine whether the *Lear* decision should be given retroactive effect. That is, does *Lear* apply to any action brought on a patent license that was commenced prior to this decision or does the *Lear* decision merely have *prospective* application.

This Court should also guide the lower courts in determining the scope to be applied with respect to the "doctrine of equivalents" where a patent license is involved. The petitioner argued, without success, in the lower courts that where a patent license refers to "covered products sales," the accused product must fall within the *four corners* of at least one claim of the licensed patent. Since the Court in *Lear* has abrogated *one* well-known

rule with respect to patent licenses, it seems to the petitioner that the Court also would be desirous of extending *Lear* to prevent a licensee from claiming royalties upon any structure which is not within the four corners of at least one claim of a licensed patent and may intend to overrule the prior rule that a determination as to whether or not an accused structure is subject to payment of royalties involves the same issues as an action for patent infringement.

It is also important for this Court to review the prior determinations in this case since the petitioner created a structure which was clearly *outside* of the terms of the claims of the licensed patent. If courts will be permitted by means of an alleged "doctrine of equivalents" to interpret patents beyond the specific provisions of the claims thereof, it will be impossible for a licensee to determine what constructions involved are subject to the payment of royalties. Such an interpretation is directly contrary to the prior determinations of this Court that a patent must be *strictly construed* and cannot be interpreted to cover material which is not within the four corners of the claims.

Hence the issues involved in this petition are of great public importance and of great public interest and falls squarely within the principles set forth in *Glus* v. *Brooklyn Eastern District Terminal*, 359 US 231 and *Kaiser Steel Corp.* v. *W. S. Ranch Co.*, 391 US 593.

The Factual Situation on This Appeal

There is no dispute with respect to the factual situation with respect to this appeal. The facts are substantially as follows:

On November 25, 1964 Tigrett Industries, Inc. and Standard Industries, Inc. entered into a written agreement involving the sale of the assets of Tigrett Industries, Inc. The pertinent provisions of the agreement read as follows:

1. SALE OF ASSETS. Seller does hereby agree to sell, assign, transfer, and deliver unto Buyer for the consideration as hereinafter provided all * * * patents, patent licenses * * *

6. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller does hereby represent and warrant as follows:

* * *

(c) That it will furnish good title to all the items being sold to Buyer, that it has a right to sell the same; that it will warrant the title to all the same to be free and clear of all encumbrances and liens of any kind; and that it will defend the title thereto against all claims whatsoever.

16. PATENTS. The following arrangement shall apply with respect to the Infant Division Patent Licenses:

* * *

(e) On Patent No. 2,790,978, issued May 7, 1957 expiring May 7, 1974, assigned to C. B. Whitlow, covering U-Bolt construction, Buyer is to receive an exclusive United States license for the full period of the patent on a 3% of covered product sale price basis, plus an additional 2% for such sale price.

After trial, the District Court held that royalties were due upon two devices made by the petitioner. These devices were a "Play-A-Round" (concededly falling within at least one of the claims of United States Letters Patent 2,790,978) and the "Golden Convertible" (which did not fall within the terms of any of the claims of United States Letters Patent 3,162,865).

The District Court, nevertheless, applying the "doctrine of equivalents," held that the "pair of spaced openings" recited in the claims was the "equivalent" of the single

opening utilized by the petitioner in the accused construction. Both the District Court and the Court of Appeals held that the petitioner could not attack the validity of the licensed patent.

POINT I

By reason of the change in the law which occurred after the determination of this Court in *Lear* v. *Adkins*, *supra*, the Court must consider the validity of the licensed patents and the failure of the Courts below to do so constitutes error.

Under the law which was in effect prior to the *Lear* determination, a licensee normally could not contest the validity of a patent under which he was licensed. A licensee could contest the validity of such a licensed patent if the licensor were guilty of inequitable conduct such as, for example, misuse of the patent, antitrust violations, etc.

This Court, in *Westinghouse Electric and Manufacturing Co.* v. *Formica Insulation Co.* 266 US 342 (1924), held that evidence of prior art could be introduced to *narrow* the scope of patent claims but could not attack the validity of the patent itself.

Thereafter, in *Scott Paper Co.* v. *Marcalus Manufacturing Co.* 326 US 249 (1945), the Court held that, if a licensee could show that the licensed patent was merely a *copy* of an expired patent, licensee estoppel could not be revoked. This, again, was not the situation in the present case.

In the present case the petitioner was not in a position to show inequitable conduct on the part of the licensor, and could not show that the alleged invention of the patent

in suit was an actual copy of an expired patent. Hence the court, on page 123 of the record, stated as follows:

> "The Court: So the Court will know where we are going—we understand the defendant concedes they cannot attack the validity of the patents. That being true, what would be the relevance of a prior patent that, perhaps, anticipated the patent in suit here?
>
> "Mr. Bader: Scope of claims, Your Honor."

Obviously, prior to *Lear* the petitioner was not in a position to show anything with respect to the *validity* of the underlying patent and the determination of both the District Court and the Court of Appeals did not consider the question of validity.

The nub of the determination of the *Lear* decision is set forth in 23 LE Lawyers' Edition 2d 610 (624) as follows:

> "Adkins' position would permit inventors to negotiate all important licenses during the lengthy period while their applications were still pending at the Patent Office, thereby disabling entirely all those who have the strongest incentive in showing that a patent is worthless. While the equities supporting Adkins' position are somewhat more appealing than those supporting the typical licensor, we cannot say that there is enough of a difference to justify such a substantial impairment of overriding federal policy."

It is thus obvious, in this case, that had petitioner been entitled to attack the validity of the patent involved herein, the situation and the eventual decision of the courts might have been considerably different. It is submitted that, since this Court has changed the rule with respect to the

right of a licensee to contest the validity of a patent under which he is licensed, the decision in the case at bar is not in accordance with the present law and therefore the determination of the lower courts should be reversed.

POINT II

The patent involving the "Golden Convertible" is clearly invalid as a matter of law.

The petitioner, in this appeal, is not questioning the validity of the patent on the "Play-A-Round" and therefore this patent will not be further discussed. Petitioner does seriously question, and has always questioned, the validity of the patent on the "Golden Convertible." The Patent Office allowed the claims in the case over the Adamson patent only because the drawstrings extend *above* the platform rather than being manipulated from *below* the platform. This trifling difference involves no "unexpected results" as required in prior decisions of this Court and therefore does not rise to the required "standard of invention." Had the petitioner been permitted, by the courts below, to attack the validity of this licensed patent, the patent would clearly have been held invalid and the petitioner not held liable for payment of future royalties. This Court should grant Certiorari and set the matter right.

POINT III

The Courts below erred in applying the "Doctrine of Equivalents" in this case since this doctrine cannot be used to bring a structure concededly outside the claims of the licensed patent within such claims. This Court has restricted the "Doctrine of Equivalents" in articles involving a very crowded art to such an extent that it practically has no application. Furthermore, the file history of the patent involved shows that the limitation relating to "a pair of spaced openings" was made because of a rejection by the Patent Office Examiner and the structure disclaimed can never be recaptured.

Prior decisions of this Court have restricted the utilization of the "Doctrine of Equivalents," especially where the improvement is in a very narrow and crowded art, to a point where the doctrine is practically nonexistent [*Graham* v. *John Deere Co. of Kansas City*, 383 U. S. 1 (1960)].

The patent, if it involves patentable improvement at all, relates to a minor improvement in a very crowded art. All claims in the case call for "a pair of spaced openings" and it is conceded that the petitioner, in the accused structure, utilizes only a single opening. Also, as shown by the file history of the patent, the limitation of "a pair of spaced openings" was inserted in order to avoid a rejection by the Patent Office examiner.

The original claims presented in this case covered a structure similar to that utilized in the "Golden Convertible". In the argument seeking an allowance of Claim 8 (where spaced openings were inserted for the first time in the claims), in response to a Patent Office rejection, the applicant argued as follows (98a-99a):

> "* * * Thus Claim 8 differs from the preceding claims and references of record in defining an ar-

> ticle of infant furniture comprising a top frame member, a base plate, a flexible netting having a general tubular form, a bottom frame member and with said flexible netting extending beneath the base plate *with drawstrings engaged at the lower end of said netting and extending through openings in the base plate.*" (Emphasis supplied.)

Claim 8 was then rejected on Adamson and the claim further amended to recite that the drawstrings were threaded through the openings in the baseplate for mutual engagement above the baseplate. The claim was then allowed by the Examiner after minor corrections to the application. The District Court, in applying the doctrine of equivalents, found a distinction between the structure of the patent and Adamson and therefore held that the doctrine of equivalents was applicable since whether a single drawstring was provided through a single opening or a pair of drawstrings were provided through spaced openings the structure would operate substantially the same way. The District Court, however, ignored the "File Wrapper Estoppel" in the case since the limitation of the "spaced openings" was inserted after the first rejection and was used to differentiate the structure of the patent from the prior art references. In such a case the allowed claims cannot be read to cover a structure which has been eliminated from a patent in response to a rejection. The principle involved is clear and few citations are necessary to illustrate it. One of the best expositions of the rule is *Nickerson* v. *Bearfoot Sale Co.*, 311 Fed. (2nd) 858 (876) 6 Cir. where this Court said:

> "* * * For the claims of a patent must be interpreted with respect to cancelled or rejected claims, and an allowed claim may not be read to cover what has been eliminated from the patent. * * *"

In the case at bar, since the single opening structure was eliminated from the patent in response to a rejection by the Examiner, the matter cannot be recaptured to charge the defendant with royalties on such eliminated structure.

POINT IV

The failure of the Courts below to find that the underlying written agreement was cancelled by its terms constitutes a violation of the constitutional rights of the petitioner.

Respondents' right to recover royalties, even aside from the written agreement, is based upon the original license. The agreement must be enforced according to its terms and the District Court denied respondents' application for reformation and this determination was not appealed so that it is final in this case.

If a court makes a new contract for parties other than what the parties intended, that court is obviously acting unconstitutionally and is depriving party of property without "due process of law" in violation of the Fifth Amendment to the Constitution of the United States.

The underlying agreement provided that it was to be automatically cancelled and terminated in the event that an assignment was made for the benefit of creditors. Concededly an assignment was, in fact, made for the benefit of creditors. In holding that the contract involved was not cancelled, the Court of Appeals held that the petitioner stepped into the shoes of the original *assignee* and therefore the cancellation clause which ran to the benefit of the assignor did not apply.

The contract sued upon herein was executed by both parties in New York and therefore, under well-established

conflict of law rules the law of New York applies to the agreement. *Eastside Flushing Gardens v. Bercaman*, 36 Fed. Supp. 706 (1941); *Dyal v. Hardaway*, 29 F.2d 264 (1962) and *Electrosonics International, Inc. v. Wurlitzer Co.*, 234 Fed. Supp. 913 (1964). A case most nearly in point in this controversy is *Mason v. Electrol, Inc.*, 282 N. Y. 482, 55 N. E. (2nd) 747 (1944) which case represents the law of New York in cancellation provisions of license agreements. In the *Mason* case a provision was inserted in a license agreement that it would be automatically cancelled and terminated if the licensee did not pay royalties as provided in the agreement. The licensee, desiring to cancel the agreement, failed to pay royalties and the licensor sued. New York Special Term (corresponding to the Federal District Court) held that the licensee was estopped from taking advantage of the provision for automatic cancellation because it was taking advantage of its own default. The Court of Appeals [the highest court of New York] reversed holding as follows (p. 487):

> "* * * We cannot go along with so valiant a construction. There is nothing obscure or abstruse in a stipulation that all rights of the respective parties, under an agreement shall be terminated for all purposes, after one of the parties to the contract shall have failed in performance for a stated period * * *."

It is noted that the situation in the *Mason* case presents far more equities in the plaintiff's favor than the situation in this case. Here the assignment for the benefit of creditors of Tigrett Industries, Inc. was performed by Tigrett Industries and the defendant had nothing to do with it.

The cases concerning automatic termination clauses of the type involved herein are uniform in holding that where a contract provides for automatic termination upon the

happening of a certain event the contract is terminated for all purposes. (*Brandeis v. Kable News Co.*, 262 App. Div. 504, 510[1]; *Nash v. L. Bucheit & Co.*, 192 N. Y. S. (2nd) 880 (1959); *N. L. R. B. v. Cone Mills Corp.*, 373 Fed. (2nd) 595, 4 Cir. (1967); *Realty Satuary Scaffold, Inc. v. Scaffold*, 4 Cal. Rptr. 543; *Rood v. Plover*, 188 N. E. (2nd) 241; and *Rucker v. Sentinel Carpet Co. v. Missouri Farmers, Inc.*, 349 S. W. (2nd) 13.)

Therefore, on April 26, 1965, the patent license agreement sued upon herein terminated by reason of the failure of title of the patent in the licensor and no obligation for royalties was thereafter incurred on the part of the defendant.

CONCLUSION

The Writ of Certiorari sought herein should be in all respects granted.

Respectfully submitted,

MAXIMILIAN BAUER,
I. WARREN BAUER,
Attorneys for Petitioner
279 Madison Avenue,
New York, New York 10016

APPENDIX TO WRIT OF CERTIORARI

Decision of the United States District Court for the Western District of Tennessee

In this memorandum decision we will collectively refer to defendant, Standard Industries, Inc., and its involved operating subsidiary, Jackson Furniture Co., as "defendant."

After these actions were set for trial on the original complaints, and the answers thereto, plaintiffs filed amended complaints in which they sought reformation of the contract that is the basis of these actions. Since the reformation of the contract as plaintiffs sought would mean that the issues to be tried would be substantially different from the issues that had been theretofore made, we first held a separate hearing on the reformation question, following which we, on November 21, 1966, entered a Memorandum Decision.

In that decision, we determined that plaintiffs were not entitled, as they sought, to have reformation of the contractual provisions governing the basis for the payment of royalties; but we did determine, with the consent of all parties, that the contract would be reformed to provide that *if* a 3% royalty was due from defendant, it was payable to plaintiff John Burton Tigrett, rather than to plaintiff Tigrett Industries, Inc. as had been provided in the contract. We further stated in that decision that, in denying reformation of the contract, we did not intend to foreclose a contention by plaintiffs that the contract is ambiguous and to foreclose the introduction of parol evidence as an aid in the construction of the contract.

The subsequent and final hearing of these actions then took place on April 5 and 6, 1967, the record of this hear-

ing was transcribed, and the parties have filed briefs directed to the issues before the Court in this final hearing.

At the outset of this final hearing, it was ruled, with the agreement of all parties, that in the event that the Court should determine that the contract was ambiguous and that parol evidence was therefore admissible, we could and would consider all such relevant evidence admitted at the prior hearing on the reformation issue. We further ruled that if plaintiffs sought to introduce additional parol evidence in support of their contentions as to the proper construction of the contract, we would conditionally admit all such relevant evidence, subject to a later ruling on the question of the ambiguity of the contract and admissibility of such parol evidence. Plaintiffs consequently did offer some additional parol evidence which was conditionally so admitted.

Plaintiff Mrs. Tigrett conceded (tr. 12-15) that the contract is not ambiguous as to the basis of his right to receive the 3% royalty set out in paragraphs 16(c) (d) and (e) of the contract and that under these provisions he would be entitled to receive such royalty only with respect to products covered by the claims of the patents named therein.

On the other hand, it is the contention of plaintiff Tigrett Industries, Inc. (and plaintiff Banks as assignees of its royalty rights) (tr. 12-15) that the contract is ambiguous as to the basis of its right to receive the 2% "over-ride" royalty set out in paragraphs 16(c) (d) and (e) and that the Court, upon consideration of the parol evidence, should construe the contract as to require the payment of such royalty on products not within the claims of these named patents. It is not, however, altogether

clear from the record and the post-trial briefs whether these plaintiffs contend that they are entitled to royalty (1) on all products using the U-bolt construction, or (2) on all play pens, or (3) on all products whatsoever, provided, perhaps, that the products are of the same kind as those manufactured by plaintiff Tigrett Industries, Inc. at the time of the sale of the business to defendant. However, since we conclude herein that, under a proper construction of the contract, plaintiff Tigrett Industries, Inc. (and the Banks), like plaintiff Mr. Tigrett, is entitled to royalty only on products within the claims of these patents, it is not necessary for us to determine on which additional products it is entitled to royalty. Moreover, while we think it highly doubtful that the contract is sufficiently ambiguous to allow the admission of parol evidence, since we would so construe the contract whether we consider the contract with or without the parol evidence, we will consider the parol evidence as admitted for this purpose.

At the outset, it should be said that paragraphs 16(c) (d) and (e) seem to be clear that both the 3% and the 2% "over-ride" royalties are to be paid only on products covered by the patents named therein. Plaintiffs seem to concede as much, because it is admitted that, as heretofore stated, these provisions are completely clear that plaintiff Mr. Tigrett is entitled to the 3% royalty only on such covered products, and of course these provisions establish the same basis for the 2% "over-ride" royalty as for the 3% royalty. But, say plaintiffs Tigrett Industries, Inc. and the Banks, an ambiguity as to the basis of their right to receive the 2% "over-ride" royalty is introduced by paragraph 17 of the contract. (With respect to this paragraph, it is agreed by all that the word "Buyer" in the fifth line should read "Seller.") Paragraph 17 provides

that if 5% of the net income before taxes of the new operating company (Jackson Furniture Co.) in a fiscal year exceeds the total of the 2% "over-ride" royalties due under paragraphs 16(c) (d) and (e), such excess shall be paid as additional royalty. This paragraph, they argue, is in conflict with paragraphs 16(c) (d) and (e) with respect to the basis of the 2% "over-ride" royalty and indicates an intention that such royalty be paid on products not covered by the patents named therein. Mr. Tigrett testified that this was the intention of the parties; defendant's witnesses testified to the contrary. We do not, however, see any conflict between these provisions; paragraph 17 simply guarantees that the amount paid as "over-ride" royalty will not be less than 5% of net income before taxes. Moreover, if plaintiff's reasoning here is correct, this would lead to the conclusion that the 2% "over-ride" royalty provided for in paragraphs 16(c) (d) and (e) would be applicable to all products manufactured during the five-year period without limitation—a position for which even the plaintiffs do not contend. Lastly, the assignment of the right to receive the "over-ride" royalty by Tigrett Industries, Inc. to the Banks (Ex. 35), executed April 26, 1965, as well as the letter of Mr. Tomlin, attorney for Mr. Tigrett, to defendant (Ex. 34), dated May 12, 1965, both make it abundantly clear that the 2% "over-ride" royalty provided for in paragraphs 16(c) (d) and (e) would be due only if the construction of the products utilized the named patents.

We therefore conclude that plaintiff Tigrett Industries, Inc. (and the Banks), like plaintiff Mr. Tigrett, are entitled to the 2% "over-ride" royalty to the extent, but only to the extent, that the products manufactured by defendant are covered by these named patents.

Decision of the United States District Court

Counsel for defendant have stipulated (tr. 17 *et seq.* and 152) and agreed (tr. 119) that they are advancing only two defenses to their obligation to pay these royalties:

1. That their products are not within the claims of the patents;

2. With respect to two of the patents (that named in 16(c), #2,790,978 (Ex. 8) and that named in 16(e), #3,162,865 (Ex. 10)), the underlying agreements (Exs. 7 and 9) between Mr. Tigrett and Tigrett Industries, Inc. provide that the agreements would be automatically cancelled upon an assignment for the benefit of creditors by Tigrett Industries, Inc.; that, after the execution on December 22, 1964 by Tigrett Industries, Inc. of the transfer of its patent rights to the defendant, Tigrett Industries, Inc. on April 26, 1965 made such an assignment to plaintiff Banks; that such assignment to the Banks cancelled the underlying agreement; and that therefore the licenses (assignments) to defendant have likewise been cancelled.

Counsel for plaintiffs (tr. 139 *et seq.*) withdrew their contention that defendant is using the patent named in paragraph 16(d), #2,990,190.

Counsel for defendant, in its initial post-trial brief, second page, withdrew its contention that its play pen known as "Play-A-Round" is not utilizing the patent named in paragraph 16(c), #2,790,978.

With these stipulations and concessions, we therefore have only two issues:

1. Whether the licenses (assignments) to defendant of the patents named in paragraphs 16(c) and (e), #2,790,978 and #3,162,865, respectively, have been cancelled by a cancellation of the underlying agreements.

2. Whether the defendant's play pen known as "Golden Convertible" utilizes the patent named in paragraph 16(e), #3,162,865 (Ex. 10).

With respect to the cancellation issue, defendant in its briefs merely restates its position without any real argument and with no authorities. We think that, without citing authorities, it can easily be demonstrated that there is nothing to defendant's cancellation position.

In the first place, in the licenses (assignments) (Exs. 16 and 19) executed on December 22, 1964 by Tigrett Industries, Inc. in favor of defendant, both of which were approved by plaintiff Mr. Tigrett, all rights were transferred to defendant and defendant assumed all obligations to Mr. Tigrett; it therefore was contemplated by all concerned that defendant would step into the shoes of Tigrett Industries, Inc. for all purposes and consequently the later assignment for the benefit of creditors by Tigrett Industries, Inc. would not result in a cancellation. Secondly, Mr. Tigrett executed, as chief officer of Tigrett Industries, Inc., the assignment for the benefit of creditors to the Banks (Ex. 35), and yet he has contended and is now contending that defendant owes him royalty pursuant to the assignments of these patent rights to it; certainly Mr. Tigrett, for whose benefit the cancellation clause was placed in the underlying agreements, has waived any right he may have had to rely on a cancellation of the underlying agreements by virtue of this assignment to the Banks for the benefit of creditors. He is, in fact, in this litigation disavowing any such cancellation. Thirdly, the position of defendant in this litigation is inconsistent with its contention that the licenses (assignments) to it have been cancelled; defendant has throughout agreed that it is still a licensee and has conceded that as a licensee it could not attack the validity of the involved patents.

We therefore conclude that the licenses (assignments) to defendant of these patent rights have not been cancelled because of a cancellation of the underlying agreements.

This brings us to the last of the issues, which is whether the structure of the "Golden Convertible" play pen manufactured by defendant is within the claims of patent #3,162,865, referred to in paragraph 16(e) of the contract.

It appears that defendant has produced two models of this play pen; these two models are for present purposes the same, except that one of them (Ex. 3) has a rectangular bottom frame member which is indented centrally of its lateral components while the other one (Ex. 51) does not have such indentations.

The patent upon which plaintiffs rely has only two claims, the second being dependent on the first. Since the features of the structure of its play pens upon which defendant relies to avoid payment of royalties both involve only the language in Claim 1, it follows that if its play pens infringe Claim 1, they would also infringe Claim 2. (We use the word "infringe" in spite of the fact that defendant is a licensee; we do this because both sides agree that the issue here is essentially the same as it would be if this were actually an infringement suit.)

In the presentation of the proof, defendant seemed to be laying the predicate for a contention that it does not make in its briefs. Claim 1 calls for ". . . a bottom frame member in planar parallel relation to said top frame member . . ." We had supposed that defendant would contend that the two frame members in one of its models are not "in planar parallel relation" because of the indentations in the lower frame member but, as stated, defendant does not so argue in its briefs. In any event, from the proof we are satisfied the two frame members

are "in planar parallel relation" despite the two indentations in the bottom frame. This is supported by the expert testimony and by the common sense proposition that if the planes of two frames are parallel, they are "in planar parallel relation."

The other and main contention of defendant on the patent aspect of this case involves the following language in Claim 1:

> ". . . drawstrings engaged to the lower end edge of said netting beneath said base plate, said base plate having a pair of spaced openings, said drawstrings being threaded upwardly through said openings in said base plate and being mutually fixedly engaged above said base plate for providing a grip for convenient manipulation for said netting to elevate said base plate by upward pulling on said grip . . ."

It will be noted the quoted language calls for "a pair of spaced openings" in the base plate through which the drawstrings are threaded upwardly. On the other hand, both of defendant's models have only one hole in the base plate through which the drawstrings are threaded upwardly, and thus, argues defendant, its play pens do not infringe Claim 1.

We are satisfied from the proof, however, as plaintiffs contend, that the doctrine of equivalents is applicable here because the two structures work in substantially the same way and with the same result. *Graver Tank & Mfg. Co.* v. *Linde Air Products Co.*, 339 U. S. 605 (1950); *Great Lakes Equipment Co.* v. *Fluid Systems, Inc.*, 217 F. 2d 613 (6th Cir. 1954). Moreover, where, as here, a licensee attempts to avoid royalties by endeavoring to make a non-infringing structure, the claims of the patent should be given as

liberal an interpretation as can be justified. *Freeman v. Altrater*, 66 F. 2d 506 (8th Cir. 1933).

Defendant, in the presentation of its proof, seemed also to be relying heavily on the doctrine of file wrapper estoppel with respect to the issue now under discussion, but argues this only by a brief reference to the doctrine in its second brief. In any event, we are satisfied that there is nothing in the history of the prosecution of this patent vis-a-vis particularly the Adamson patent that prevents plaintiffs from contending here that the single opening in defendant's base plate is the equivalent of the two spaced openings called for by Claim 1 of this patent. The two spaced openings as such had nothing to do with the final approval of this patent.

In view of our ruling that the accused structure is the equivalent of the two spaced openings of Claim 1 and that the doctrine of file wrapper estoppel is not applicable here, it is not necessary for us to rule on plaintiffs' contention that the failure of defendant to give notice under 35 U. S. C. §282 of its reliance on the Adamson patent (or any patent) prevents defendant from relying on such patent or patents.

It appears that one of the attorneys for defendant and his father obtained a patent on a play pen shortly before this hearing, which patent apparently was issued on the theory that it embodies some improvement over the patent on which plaintiffs rely. However, defendant correctly concedes in its briefs that the subsequent issuance of that patent constitutes no defense to it if, as we have already determined, its structure is covered by the claims of the licensed patent.

We therefore conclude that plaintiffs are entitled to recover royalties not heretofore paid in the amount estab-

listed by paragraphs 8(e) and (g) of the contract on all "Play-A-Round" and "Golden Convertible" play posts sold by defendant, together with interest thereon from the date on which, under the contract, such royalties should have been paid.

Plaintiffs also seek attorneys fees on the theory that defendant has been guilty of bad faith. We agree that it does appear that defendant has unfairly sought to avoid payment of royalties justly due under the contract (see, for example, Ex. 5 to deposition of Jacob Michael, president of defendant). We would also agree that defendant at the inception of this litigation obstructed the discovery procedures. Moreover, defendant's cancellation argument was obviously without merit. On the other hand, plaintiffs, in an effort to recover larger royalties, have advanced a completely untenable claim to reformation of the contract and have advanced an almost equally untenable claim with respect to the construction of the contract. Both sides finally made important concessions and stipulations that should have been made earlier. We do not, therefore, believe it would be equitable to allow plaintiffs any attorneys fees.

If the parties cannot agree as to the dollar amount due to plaintiffs under this decision, we will entertain a motion for the appointment of a master to determine this amount.

The costs to this point as to each case will be assessed one-third against plaintiffs and two-thirds against defendant.

Entered this 27th day of December, 1967.

Stanley Brotman

Judge

Decision of the United States Circuit Court of Appeals for the Sixth Circuit

Nos. 18700-701

Nos. 18702-703

UNITED STATES COURT OF APPEALS

FOR THE SIXTH CIRCUIT

TIGRETT INDUSTRIES, INC., etc.,

Plaintiffs-Appellees

v.

STANDARD INDUSTRIES, INC.,

Defendant-Appellant

JOHN BURTON TIGRETT,

Plaintiff-Appellee

v.

STANDARD INDUSTRIES, INC.,

Defendant-Appellant

Appeals from the United States District Court for the Western District of Tennessee.

Decided May 27, 1969.

Before: EDWARDS and CELEBREZZE, Circuit Judges, and GORDON,* District Judge.

*Honorable James L. Gordon, United States District Judge for the Western District of Kentucky, sitting by designation.

Decision of the United States Circuit Court of Appeals

Per Curiam. Appellant, Standard Industries, Inc., appeals from judgments entered in the United States District Court for the Western District of Tennessee in favor of Plaintiffs, Tigrett Industries, Inc., and John Burton Tigrett for licensees under patents.

In this case John Burton Tigrett contracted with a company which he controlled, Tigrett Industries, Inc., to allow it to use his patents. The contract provided for "automatic cancellation" in the event of bankruptcy of Tigrett Industries, or in the event of assignment for the benefit of creditors by that company. Later Tigrett Industries, with Tigrett personally participating, sold its assets, including the patent rights here involved, to Standard Industries, and Standard Industries by that contract undertook to assume all of Tigrett Industries' former responsibilities.

Still later Tigrett Industries made an assignment for benefit of creditors, and Standard, refusing to pay the patent license fees, claimed advantage of the automatic cancellation clause in the original contract between Tigrett and Tigrett Industries.

The two issues decided by the District Judge and presented by this appeal were stated as follows in the District Judge's Memorandum Decision:

> "1. Whether the licenses (assignments) to defendant of the patents named in paragraphs 16(c) and (d), #2,720,078 and #3,162,865, respectively, have been cancelled by a cancellation of the underlying agreements.
>
> "2. Whether the defendant's play pen known as 'Golden Convertible" utilizes the patent named in paragraph 16(c), #3,162,865 (Ex. 40)."

Decision of the United States Circuit Court of Appeals

As to the first issue the District Judge held that Standard Industries stepped into Tigrett Industries' shoes, and that the cancellation clause ran only to the benefit of John Burson Tigrett, individually. We agree.

Nor do we find any clear error in the District Judge's factual holding that a certain "Golden Convertible" baby bed which Standard Industries was manufacturing was being manufactured under the patent license under the doctrine of equivalents. The fact that the play pen floor was adjusted up or down by strings running through the floor through one hole rather than two holes did not appear to him to represent a substantial difference. Neither does it to us. *Graver Mfg. Co. v. Linde Co.*, 339 U. S. 605 (1950).

We have reviewed the District Judge's Memorandum Decision and we approve the findings of fact and conclusions of law contained therein.

Affirmed.

Filed May 27, 1969
Carl W. Reuss, Clerk

PREME COURT, U. S.

FILED
AUG 2 9 1969
JOHN F. DAVIS, CLERK

IN THE

SUPREME COURT OF THE UNITED STATES.

No. 445.

STANDARD INDUSTRIES, INC.,
Petitioner,

vs.

TIGRETT INDUSTRIES, INC., ET AL.,
Respondents.

RESPONDENTS' BRIEF

In Opposition to Petition for Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit.

RALPH W. KALISH,
721 Olive Street,
St. Louis, Missouri 63101,
Attorney for Respondents.

ST. LOUIS LAW PRINTING CO., INC., 411-15 N. Eighth St., 63101. 314-231-4477.

INDEX.

Page

Statement 1

Argument 6

Holding of this Court in Lear, Inc. v. Adkins not applicable in this case 6

Golden convertible patent clearly not invalid 8

Doctrine of equivalents manifestly applicable 8

No violation of any constitutional right of petitioner 11

Conclusion 13

Cases Cited.

Burnet v. Commonwealth Improvement Co. (1932), 287 U. S. 415, 418 7

General Motors Co. v. The Swan Carburetor Company (CCA 6—1930), 44 F. 2d 24, 25 10

Graham v. John Deere Co. of Kansas City (1960), 383 U. S. 1 10

Graver Tank & Mfg. Co. v. Linde Air Products Co. (1950), 339 U. S. 605 ..... 9, 10

Gridiron Steel Co. v. Jones & Laughlin Steel Corp. (CCA 6—1966), 361 F. 2d 791 10

Husty v. U. S. (1931), 282 U. S. 694 7

Lear, Inc. v. Adkins (1969), ... U. S. ..., 23 L. Ed. 2d 610 ..... 6, 7, 8

Mason v. Electrol, Inc. (1944), 292 N. Y. 482, 55 N. E. 2d 747 12

McCullough v. Kammerer Corp. (1945), 323 U. S. 327 7

Texts Cited.

Corbin on Contracts, pages 637 and 638 12

Ellis on Patent Licenses (3rd Ed.), Baker, Voorhis & Co., Inc. (11958), Section 117 10

IN THE

SUPREME COURT OF THE UNITED STATES.

No. 445.

STANDARD INDUSTRIES, INC.,
Petitioner,

vs.

TIGRETT INDUSTRIES, INC., ET AL.,
Respondents.

RESPONDENTS' BRIEF

In Opposition to Petition for Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit.

STATEMENT.

The written agreement of November 25, 1964 involved the sale to petitioner, Standard Industries, Inc., of substantially all of the assets of the infant products division of respondent, Tigrett Industries, Inc. The consideration was comprised of cash and the override royalty payments to accrue from the licenses* provided in paragraph 16 (e)

* Although the term "license" is used, the arrangement was actually one of assignment wherein the payments were based upon productivity.

and (e) of said agreement, which respectively related to the manufacture of the PLAY-A-ROUND and GOLDEN CONVERTIBLE playpens. Both of these playpens had been well established in the marketplace by Tigrett Industries, Inc. at the time of the agreement, each having been sold on a very well received, national level. Petitioner, through its wholly owned subsidiary, Jackson Furniture Corporation, has continued the manufacture and sale of these two playpens.

The patents involved in subparagraphs (c) and (e) of paragraph 16 of the agreement had been sold and assigned to Tigrett Industries, Inc., as purchaser, by respondent, John Burton Tigrett, as vendor, in 1955 and 1961, respectively, as evidenced by contracts (trial exhibits 1 and 2, respectively) under which the said John Burton Tigrett was to receive a royalty of three (3%) percent. In each of said contracts, there was provided the following condition:

> "This agreement shall automatically be cancelled and terminated in the event of bankruptcy of purchaser (Tigrett Industries, Inc.) or assignment by purchaser (Tigrett Industries, Inc.) for the benefit of creditors."

Pursuant to said paragraph 16 (c) and (e) of the agreement of November 25, 1964, Tigrett Industries, Inc. executed assignments on December 22, 1964 of the patent rights it acquired under the said contracts with respondent, John Burton Tigrett, to Jackson Furniture Corporation*, a wholly owned subsidiary of Standard Industries, Inc. Both assignments were accepted in writing by Jackson Furniture Corporation.

---

* Jackson Furniture Corporation was established by petitioner for the express intent of taking over the assets of Tigrett Industries, Inc. For the purposes of this litigation, Jackson Furniture Corporation is the alter ego of petitioner and is hence one and the same therewith.

On April 26, 1965, over four months after the assignments to Jackson Furniture Corporation, Tigrett Industries, Inc., for the benefit of its creditors, assigned to The First National Bank of Jackson, Tennessee and the National Bank of Commerce, Jackson, Tennessee, the two percent (2%) override payment to be paid to Tigrett Industries, Inc. under paragraph 16 (c) and (e) of the agreement for the purchase of assets of November 25, 1964. Note must be made of certain language incorporated in the assignments of the patent rights from Tigrett Industries, Inc. to Jackson Furniture Corporation, namely:

> "Tigrett Industries, Inc. does hereby sell, assign, transfer and convey unto Jackson Furniture Corporation, its successors and assigns, the entire right and interest in and to the aforesaid Letters Patent * * * And the Jackson Furniture Corporation, the purchaser, agrees to abide by all the obligations, terms and conditions of the seller herein, Tigrett Industries, Inc., as more specifically set forth in an agreement dated July 19, 1961, between John Burton Tigrett of Jackson, Tennessee and Tigrett Industries, Inc."

* * * * * * * *

At no time during this litigation has petitioner raised any question concerning the invalidity of the patents which had been assigned to Jackson Furniture Corporation by respondent, Tigrett Industries, Inc. This matter was not pleaded in its answer; not developed or even suggested during the trial before the District Court; not involved in any question on the appeal to the Circuit Court of Appeals. There has been no urging by petitioner that the patents under which it has manufactured and sold the playpens in question were invalid. A review of the record in this case shows that at the time of filing its answer, Petitioner merely denied that the PLAY-A

ROUND and GOLDEN CONVERTIBLE playpens were covered by the patents in suit. The question as to cancellation of the agreement was brought up, apparently as an afterthought, only sometime shortly before the trial, many, many months after April 26, 1965. As the record further reveals and as set forth in the opinion of the District Court, petitioner based its defense upon only two grounds — one being that the playpens involved were not within the claims of the patents; and the other being that the assignments made by Tigrett Industries, Inc. to the aforesaid Banks in some way caused a cancellation of the agreement under which petitioner was to pay the royalty to John Burton Tigrett and the overriding payment to Tigrett Industries, Inc. These were the only two issues before the Court and were the ones which defendant announced at the outset of the trial upon which it would bottom its refusal to make payments. The Court did not restrict petitioner to any specific number or character of defenses.

Petitioner, at its own discretion and election, did not at any time attempt to attack the validity of the patents involved. Therefore, admittedly, neither the District Court nor the Court of Appeals held that petitioner could not attack the validity of such patents, as petitioner so erroneously avers on page 6 of its Petition. Petitioner provided no basis for such a holding.

Subsequent to the trial before the District Court, petitioner conceded that its PLAY A ROUND playpen (the same as had been previously produced by Tigrett Industries, Inc.) was within the claims of the patent identified in paragraph 16 (c) of the agreement of November 25, 1964, and in its Petition for Writ of Certiorari (p. 8), petitioner asserts that it is not questioning the validity of said patent. (Interestingly, despite such position, petitioner has never paid any royalty or override payment

on its production of such playpens.) On page 7 of the Petition, petitioner directs attention to an exchange between its counsel and the Court which did relate to the aforesaid PLAY-A-ROUND Patent and to a certain other patent referred to in paragraph 20 of said agreement. Thus, this excerpted colloquy was concerned with an issue of contract construction and not patent invalidity.

ARGUMENT.

Holding of This Court in LEAR, INC., v. ADKINS Not Applicable in This Case.

Petitioner urges that since this Court held most recently in **Lear, Inc. v. Adkins** (1969), ... U. S. ..., 23 L. Ed. 2d 610, that a licensee is not estopped to attack the validity of a patent under which it is licensed, petitioner should automatically be permitted to cause this case to be retried on that issue. Petitioner contends that the **Lear** decision be accorded retroactive application whether or not invalidity was raised at anytime during the litigation. The position of petitioner in this regard, if permitted, would allow petitioner to return to the District Court and to attempt to set up a defense which it had never considered at anytime prior to the holding in the **Lear** case. In that case, the defendant, long before Adkins' patent issued, searched the Patent Office files and discovered a patent which it conscientiously believed fully anticipated Adkins' invention. Adkins was obviously informed of defendant's position for refusing to pay royalties as based upon anticipation. Furthermore, throughout the extensive litigation in the California courts, the licensee continuously sought to raise patent invalidity as a defense. Thus, there was before the California courts, as well as before this Court, the issue as to patent invalidity, together with the underlying evidence presented by the licensee in support of its said defense.

The present case is a far cry from the **Lear** case since, as stated herein, petitioner at no time even remotely suggested the invalidity of the GOLDEN CONVERTIBLE Patent. As a matter of fact, it did not go to the extent of presenting patents for the purpose of limiting the scope of the claims thereof.

There is no foundation in the record in this case for the gratuitous statements of petitioner in its Petition to the effect that if it had been "permitted" to attack the validity of the said patent, a different result would be obtained. Such comments are speculations on the part of petitioner, expressing nothing more than a hope if it be allowed to re-open this case to assert and try a defense which it has never previously considered. In the **Lear** case, the issue of patent invalidity was raised, whereas, in the present case there was no suggestion of such.

This Court has consistently denied writs of certiorari with respect to any question which was neither pleaded, litigated in the trial court, nor considered by the Court of Appeals. **McCullough v. Kammerer Corp.** (1945), 323 U. S. 327; **Burnet v. Commonwealth Improvement Co.** (1932), 287 U. S. 415, 418; and **Husty v. U. S.** (1931), 282 U. S. 694. Petitioner for the very first time in this protracted litigation has now raised the issue of patent invalidity, but with respect to only one of the two patents, being obviously the one under which it has been more productive. Respondents respectfully urge that **Lear v. Adkins** is without applicability to the present case in view of the facts thereof and that to allow this case to be returned to the District Court so that Petitioner can assert a new defense for the first time would be clearly inequitable.

The assignment of the GOLDEN CONVERTIBLE Patent was but a part of a total transaction relating to the sale of a business. The payments to be made to respondents upon playpens produced under the patent in question were to be a part of the consideration for the purchase of this business. Thus, if arguendo, petitioner were to be allowed to reopen the case for the purpose of urging patent invalidity and were to be successful in such endeavor, then it is obvious that respondents would be unfairly deprived of the just consideration for the sale of its business.

In such a circumstance, there would have to be provided the right for Tigrett Industries, Inc., to annul the written agreement of November 25, 1964 and thereby reacquire its entire business; for, certainly, petitioner should not be accorded a Court approved method for reducing the consideration which it agreed to pay for a total package. Certainly, **Lear, Inc. v. Adkins** should not be applied retroactively, much less in a case wherein the matter of patent validity was not raised.

GOLDEN CONVERTIBLE Patent Clearly Not Invalid.

The statements made in the Petition concerning this Patent (p. 8) are obviously self-serving, being without any objective foundation whatever; expressing merely the subjective views of a petitioner who wishes to avoid paying for benefits and rights had, received, and continuously enjoyed. Petitioner was not denied at any time permission to urge that the GOLDEN CONVERTIBLE Patent was invalid, nor to bring to the District Court's attention any invalidating prior art. Standard Industries, Inc., did not elect to attack the validity of the patent under which it operates and of which it is the assignee. Since its other defenses have failed, it is now attempting for the first time to raise this issue in an effort to escape payment of a part of the purchase price for a going business, which it has continued in the same profitable manner as its predecessor.

Doctrine of Equivalents Manifestly Applicable.

The District Court found, and the Court of Appeals affirmed, that the GOLDEN CONVERTIBLE playpen of petitioner operated in substantially the same way and with the same result as the structure claimed (p. 8a of Petition). The playpen of petitioner is identical with that defined in the claims of the patent in question, except that

petitioner used a single hole while the claims recited two holes through which the draw strings were projected. The case of **Graver Tank & Mfg. Co. v. Linde Air Products Co.** (1950), 339 U. S. 605, is still the controlling precedent with respect to the doctrine of equivalents. Therein, this Court most aptly stated:

> "The essence of the doctrine (of equivalents) is that one may not practice a fraud on a patent (p. 608)."

And this Court further stated:

> "The courts have also recognized that permitting imitation of a patented invention which does not copy every literal detail would be to convert the protection of the patent grant into a hollow and useless thing. Such a limitation would leave room for—indeed encourage—the unscrupulous copiest to make unimportant and insubstantial change and substitutions in the patent which, though adding nothing, would be enough to take the copied matter outside the claim, and hence outside the reach of law" (p. 607).

Pertinent to the present case wherein defendant has appropriated plaintiffs' novel drawstring arrangement, is this Court's statement:

> "One who seeks to pirate an invention is like one who seeks to pirate a copyrighted book or play, may be expected to introduce minor variations to conceal and shelter the piracy. Outright and forthright duplication is a dull and very rare type of infringement. To prohibit no other would place the inventor at the mercy of verbalism and would be subordinating substance to form" (p. 607).

In discussing what actually constitutes equivalency, this Court went on to say:

> "Equivalence in the Patent Law is not the prisoner of a formula and is not an absolute to be considered in a vacuum. It does not require complete identity for every purpose and in every respect" (p. 607).

The case of **Graham v. John Deere Co. of Kansas City** (1960), 383 U. S. 1, has no reference whatever to the doctrine of equivalents. The decision of this Court in that case dealt with the question of patent validity in view of the provisions of the Patent Act of 1952 relative to patentability. Thus, the holding in the **Graver** case was in no way affected by the decision in **Graham.**

Contrary to petitioner's statement, the District Court did not ignore the doctrine of file wrapper estoppel in reference to the construction of the claims of the GOLDEN CONVERTIBLE Patent. Page 9 (a) of the Petition demonstrates the careful consideration of said doctrine by the District Court.

There is not a different standard for determining whether a product is covered by the claims of a licensed (or assigned) patent than that for determining whether a product infringes such claims. The same rules apply in each case. In this connection, see **General Motors Co. v. The Swan Carburetor Company** (CCA 6—1930), 44 F. 2d 24, 25; **Gridiron Steel Co. v. Jones & Laughlin Steel Corp.** (CCA 6—1966), 361 F. 2d 791; and also **Ellis on Patent Licenses** (3rd Ed.), Baker, Voorhis & Co., Inc. (1958), Section 117. Therefore, in holding the playpen of petitioner to be covered by the GOLDEN CONVERTIBLE Patent, the District Court and the Court of Appeals applied the only standard and that is that the structure met the test of infringement. There cannot be two possible constructions of a claim. Either the accused device is comprehended therein or it is not and, obviously, in the present case, petitioner's structure was covered. The doctrine of equivalents was properly applied in this case.

No Violation of Any Constitutional Right of Petitioner.

With reference to the facts set forth in the STATEMENT herein, petitioner, through its subsidiary, stepped into the shoes of Tigrett Industries, Inc. with respect to its obligations under the contracts to pay royalties to respondent, John Burton Tigrett. From and after December 22, 1964, the date of the assignments to the subsidiary of petitioner, the only right Tigrett Industries, Inc. had was the right to receive the two percent (2%) override payment for a period of five (5) years, such right being vested in it by virtue of the agreement of November 25, 1964, which was an independent contractual right arising from petitioner and not arising from any contractual obligation between Tigrett Industries, Inc. and John Burton Tigrett. Petitioner, through its subsidiary, Jackson Furniture Corporation, was thus substituted for Tigrett Industries, Inc. and there then existed between it and John Burton Tigrett the same rights and obligations as had theretofore existed between Tigrett Industries, Inc. and John Burton Tigrett. From and after December 22, 1964, if Jackson Furniture Corporation went bankrupt, or if Jackson Furniture Corporation thereafter made an assignment for the benefit of creditors, then, in that event only, the underlying contracts would have automatically been cancelled. The said instruments dated December 22, 1964 extinguished the legal relations between Tigrett Industries, Inc. and John Burton Tigrett and substituted a precisely identical set of relations between John Burton Tigrett and Jackson Furniture Corporation (i. e., Standard Industries, Inc.).

The assignment for the benefit of its creditors by Tigrett Industries, Inc. in April, 1965, of its right to collect the two percent (2%) override payment did not emanate from the basic underlying contracts nor could said assignment for the benefit of creditors have any

bearing on the basic underlying contracts because after December 22, 1964, Tigrett Industries, Inc. had no legal interest whatever in such contracts.

As succinctly put by **Corbin on Contracts**, pages 637 and 638:

> "The transfer of property in land or chattels is the extinguishment of the legal relations of the former owner with the rest of the world. . . . The assignment of a contract right extinguishes the right of the assignor against a third person, and substitutes a precisely similar one in the assignee."
>
> "(In an assignment) the substitution of a new owner of that right has taken place: The transfer has been executed. The duty of the obligor is now owed to the assignee, and that duty is not effected by the discharge of the assignor from his debts."

In the second of the two paragraphs quoted above, Corbin is referring to the discharge in bankruptcy of an assignor after an assignment has been made by him, that the same logic would hold true insofar as an assignment for the benefit of creditors is concerned.

The case of **Mason v. Electrol, Inc.** (1944), 292 N. Y. 482, 55 N. E. 2d 747, cited by petitioner, is not relevant as the case therein deals with the failure by one of the parties to an agreement to perform. That case had nothing to do with a situation wherein there was a substitution of parties but only with respect to the activities of the same parties who both executed the original and only agreements. Additionally, the cases cited on page 13 of petitioner's brief do not deal with any similar factual situations, nor do they deal with any automatic termination provisions.

Neither the District Court nor the Court of Appeals ignored any contractual provisions in the underlying

agreements and no constitutional right of petitioner was in any way violated by holding the petitioner obligated under the contracts in issue to make the specified payments to respondents.

The statements appearing on page 11 of petitioner's Petition are indeed misleading. Neither Court made a new contract for the parties and the agreements were enforced according to their exact, original terms.

CONCLUSION.

The Writ of Certiorari herein sought should be denied.

Respectfully submitted.

RALPH W. KALISH.
721 Olive Street,
St. Louis, Missouri 63101.
Attorney for Respondents.

JOHN

APPENDIX

Supreme Court of the United States

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC., PETITIONER

v.

TIGRETT INDUSTRIES, INC., ET AL., RESPONDENT

ON WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

PETITION FOR CERTIORARI FILED AUGUST 8, 1969
CERTIORARI GRANTED OCTOBER 27, 1969

INDEX

	PAGE
Docket Entries, Civil Action No. 1581	1a
Docket Entries, Civil Action No. 1625	6a
Amended Complaint, Civil Action No. 1581	9a
Answer, Civil Action No. 1581	14a
Amended Complaint, Civil Action No. 1625	17a
Answer, Civil Action No. 1625	25a
Order Overruling Defendant's Motion, Civil Action No. 1581	28a
Order Overruling Defendant's Motion to Dismiss, Civil Action No. 1625	30a
Memorandum Decision Denying Plaintiffs' Claim for Reformation in Civil Actions Nos. 1581 and 1625	31a
Order Providing That Three (3%) Percent Royalty, If Due, Will Be Paid to John Burton Tigrett, in Civil Action No. 1625	34a
Order Dismissing Action for Reformation in Civil Action No. 1581	35a
Memorandum Decision of District Court in Civil Actions Nos. 1581 and 1625	37a
Judgment in Civil Action No. 1581	47a
Judgment in Civil Action No. 1625	49a
Order Extending Time to Docket Record on Appeal in Civil Actions Nos. 1581 and 1625	51a
Docket Entries—United States Court of Appeals for the Sixth Circuit:	
Case No. 18700	53a-1
Case No. 18701	53a-3
Case No. 18702	53a-5
Case No. 18703	53a-7

PAGE

Decision of the United States Court of Appeals for the Sixth Circuit Case Nos. 18,700-18,703 ..... 53a-9

Docket Entries—Supreme Court of the United States 53a-12

Contract for Purchase of Assets 54a

Letter of Transmittal ..... 64a.

Notice of Assignment 66a

Assignment for the Benefit of Creditors Between Tigrett Industries, Inc. and Its Creditors 67a

Assignment of Patent Rights by Tigrett Industries, Inc. of U. S. Letters Patent No. 3,162,865 ..... 76a

File History of United States Letters Patent No. 3,162,865 ..... 81a

Copy of United States Letters Patent No. 3,162,865 118a

Copy of U. S. Letters Patent No. 2,873,458 ..... 120a

Plaintiffs' Exhibit 53, Photograph 122a

Plaintiffs' Exhibit 54, Photograph 124a

Plaintiff's Exhibit 55, Photograph 126a

Excerpts From Transcript of Proceedings 128a

EXCERPTS FROM TRANSCRIPT OF PROCEEDINGS

Witnesses for Plaintiffs

Ed Terry:

Direct 129a

Cross 129a-1

PAGE

Don Fischer:

Direct 131a

Cross 145a

Redirect 155a

Recross 158a

WITNESS FOR DEFENDANT

Thomas Fletcher Talbot:

Cross 159a

Docket Entries, Civil Action No. 13381

1. June 16, 1965—Filed Complaint
2. July 2, 1965 —Filed Motion of Defendant for an Order of Dismissal under Rule 12 (b) of Rules of Civil Procedure or in the alternative for an Order transferring this action to U. S. District Court—Southern Dist. of N. Y. pursuant to 28 USC 1404(a)
3. July 13, 1965 —Filed Notice to take Depositions of Biel, Branca, Schumer, and Michael—
4. July 20, 1965 —Filed Order for production of documents and things for inspection, copying and photographing on Motion of Plaintiff.
5. July 20, 1965 —Filed Order overruling Motion to Vacate Notice of Taking testimony—(the defendant having so moved)
6. July 20, 1965 —Filed Motion to Vacate Notice of Taking Testimony pursuant to Rule 30(b) on behalf of defendant—
7. July 20, 1965 —Filed Notice to take Depositions (Michael, Branca & Biel) on behalf of Plaintiffs—
8. July 28, 1965 —Filed Order amending order for production of documents and things for inspection, copying or photographing—
9. July 28, 1965 —Filed Order overruling defendant's Motion for an order vacating notice of taking testimony

Docket Entries, Civil Action No. 1581

10. Aug. 31, 1965 —Filed Notice of Plaintiff to take depositions of Joseph Lawless, President, Jackson Furniture Corp.

11. Nov. 22, 1965 —Filed Application by plaintiffs for preliminary hearing on defendant's Motion—

12. Nov. 22, 1965 —Filed Affidavit of John Burton Tigrett—Chairman of Board of Tigrett Industries, Inc.

13. Dec. 7, 1965 —Filed Replying Affidavit in behalf of deft. to application by plaintiff requesting hearing on deft's Motion.

14. Dec. 11, 1965 —Filed Deposition of Joseph F. Lawless.

15. Dec. 11, 1965 —Filed examinations of Jacob Michael, William Biel and S. Lee Branca.

16. Dec. 20, 1965 —Filed Notice to take Deposition of Mr. Joseph Lawless, Pres. Jackson Furniture Corp.

17. Dec. 20, 1965 —Filed Order extending time for defendant to plead to and including 1-6-66—

18. Dec. 20, 1965 —Filed Order overruling defendant's motion for change of venue—opinion of Court being that it is not in the interest of justice to transfer the case to another District

19. Dec. 27, 1965 —Filed Motion to Vacate Notice of taking testimony of Lawless pursuant to Rule 30(b)—

Docket Entries, Civil Action No. 1581

20. Dec. 28, 1965 —Filed Motion to vacate notice of taking testimony of Lawless pursuant to Rule 30(b)—

21. Jan. 6, 1966 —Filed Motion by defendant for more definite statement—

22. Jan. 6, 1966 —Filed Application by Plaintiff for hearing on defendant's Motion—

23. Jan. 10, 1966 —Filed Moving Affidavit of Lawless—Pres. Jackson Furniture Corp—

24. Jan. 10, 1966 —Filed Supplemental Motion to quash spa for Lawless.

25. Jan. 11, 1966 —Filed Order overruling defendant's motion to vacate notice of taking testimony.

26. Jan. 11, 1966 —Filed Order overruling Motion of Witness to vacate notice of taking testimony.

27. Jan. 12, 1966 —Filed Order sustaining Motion of Plaintiffs to strike motion by defendant for more definite statement, and requiring defendant to plead.

28. Jan. 20, 1966 —Filed Notice to take depositions—Joseph Lawless, Pres. Jackson Furniture Corp—Albert Stone and James Cupples—

29. Jan. 25, 1966 —Filed Answer of Defendant—

30. Feb. 4, 1966 —Filed Interrogatories to Plaintiff—

31. Feb. 14, 1966 —Filed Notice of hearing—

Docket Entries, Civil Action No. 1581

32. Feb. 14, 1966 —Filed Objections to Defendant's Interrogatories—

33. Feb. 14, 1966 —Filed Notice of hearing—

34. Feb. 14, 1966 —Filed Objections to Defendant's Interrogatories—

35. Feb. 18, 1966 —Filed Answers to Interrogatories—

36. May 23, 1966 —Filed Motion of Plaintiffs to Amded Complaint

37. June 15, 1966 —Filed Motion of Plaintiffs to Amend previously filed Motion—

38. June 23, 1966 —Filed Order allowing plaintiffs to file amended complaint—

39. July 8, 1966 —Filed Amended Complaint—

40. Aug. 9, 1966 —Filed Order allowing defendant to Aug. 18, 1966 to assert its defense and objections, either by serving its answer or by motion—

41. Aug. 19, 1966 —Filed Defendant's Answer to amended complaint—

42. Nov. 21, 1966 —Filed Memorandum Decision—

43. Dec. 9, 1966 —Filed Order dismissing amended complaint insofar as it seeks reformation of contract (Ex. 1)

44. June 20, 1967 —Filed Reporter's Transcripts of hearings Apr. 5, 6, 1967—

45. Dec. 27, 1967 —Filed Memorandum Decision—

46. Jan. 23, 1968 —Filed Notice of Appeal—

47. Jan. 23, 1968 —Filed Appeal Bond—

Docket Entries, Civil Action No. 1581

48. Feb. 26, 1968 —Filed Notice of filing of Judgment—

49. March 11, 1968—Filed Judgment—

50. March 22, 1968—Filed Notice of Taking Deposition of Jim DeMattei—

51. Apr. 2, 1968 —Filed Notice of taking Deposition of Will H. Foster—

52. Apr. 5, 1968 —Filed Notice of Appeal—

53. Apr. 5, 1968 —Filed Appeal Bond—

54. Apr. 15, 1968 —Filed Discovery Deposition of James V. Dematie—

55. Apr. 19, 1968 —Filed Order that Notice of Appeal filed on Apr. 5, 1968—be filing date of notice of appeal—that the time for further perfecting of appeal shall begin from that date—the previous notice having been prematurely filed—

56. Apr. 23, 1968 —Filed Stipulation regarding Judgment—approved by Court—

57. May 13, 1968 —Filed Supersedeas Bond approved by Court—

58. May 14, 1968 —Filed letter to Court Reporter—from Attorneys for Defendant in regard transcript—

59. May 14, 1968 —Filed letter to Court—from Attorneys for Plaintiffs opposing extension of time for docketing record on appeal.

60. May 14, 1968 —Filed Order extending time to docket record on appeal to May 20, 1968.

Docket Entries, Civil Action No. 1625

1. Dec. 27, 1965 —Filed Complaint—
2. Jan. 17, 1966 —Filed Motion of defendant to Dismiss under Rule 12 and moving Affidavit—
3. Jan. 17, 1966 —Filed Application by Plaintiff for preliminary hearing on defendant's Motion—
4. Jan. 18, 1966 —Filed Affidavit of John Burton Tigrett.
5. Feb. 18, 1966 —Filed Stipulation regarding issues.
6. Feb. 21, 1966 —Filed Order overruling Defendant's Motion to Dismiss.
7. March 2, 1966 —Filed Order extending time for defendant to answer until 3-14-66.
8. Apr. 6, 1966 —Filed Answer of Defendant.
9. May 23, 1966 —Filed Motion of Plaintiff to Amend Complaint.
10. June 15, 1966 —Filed Motion to Amend Complaint.
11. June 23, 1966 —Filed Order allowing plaintiff to file amended complaint—to be incorporated with original complaint—and defendant given 30 days after service to answer.
12. July 8, 1966 —Filed Amended Complaint—
13. Aug. 9, 1966 —Filed Order allowing defendant to Aug. 18, 1966 to assert its defenses and objections either by serving its answer or by motion.

Docket Entries, Civil Action No. 1625

14. Aug. 19, 1966 —Filed defendant's answer.

15. Nov. 21, 1966 —Filed Memorandum Decision.

16. Dec. 9, 1966 —Filed Order that amended complaint of plaintiff—sustained to extent that it seeks reformation to provide that the 3% royalty, if due, will be paid to the said John Burton Tigrett and said amended complaint will be dismissed to the extent that it seeks reformation of the contract (Ex. 1) as to the basis of the payments due the plaintiff.

17. June 20, 1967 —Filed Court Reporter's Transcript of Apr. 5 & 6, 1967.

18. Dec. 27, 1967 —Filed Memorandum Decision—

19. Jan. 23, 1968 —Filed Notice of Appeal—

20. Jan. 23, 1968 —Filed Appeal Bond—

21. Feb. 26, 1968 —Filed Notice of filing of Judgment—

22. March 11, 1968—Filed Judgment—

23. March 22, 1968—Filed Notice of Taking of Deposition of Jim DeMattei—

24. Apr. 2, 1968 —Filed Notice of Taking of Deposition of Will H. Foster—

25. Apr. 5, 1968 —Filed Notice of Appeal—

26. Apr. 5, 1968 —Filed Appeal Bond—

27. Apr. 15, 1968 —Filed Discovery Deposition of James V. Dematie—

Docket Entries, Civil Action No. 1625

28. Apr. 19, 1968 —Filed Order that notice of appeal filed on Apr. 5, 1968 be filing date of notice of appeal and that the time for further perfecting of appeal shall begin from that date—the previous notice having been prematurely filed.

29. Apr. 23, 1968 —Filed Stipulation regarding Judgment—

30. May 13, 1968 —Filed Supersedeas Bond—

31. May 14, 1968 —Filed letter to Court Reporter from Attys. for Deft. in regard transcript—

32. May 14, 1968 —Filed letter to Court from Attys for Pltffs. opposing extension of time for docketing record on appeal—

33. May 14, 1968 —Filed Order extending time to docket record on appeal to May 20th, 1968.

Amended Complaint, Civil Action No. 1581

The plaintiffs allege that:

1. The plaintiff, Tigrett Industries, Inc., is a Delaware corporation, having its principal place of business in Jackson, in the State of Tennessee. The plaintiffs, First National Bank of Jackson, Tennessee, and National Bank of Commerce, of Jackson, Tennessee, are corporations and citizens of the State of Tennessee. The defendant, Standard Industries, Inc., is a corporation and a citizen of the State of New York and does not have its principal place of business in Tennessee. The matter in controversy exceeds Ten Thousand ($10,000.00) Dollars, exclusive of interest and costs.

2. The claim of the plaintiffs for the relief sought in this action arises from the transaction of business, and from the ownership and possession of an interest in property by the defendant, in Tennessee, within the meaning of Chapter 67 of the Public Acts of Tennessee of 1965 and other laws of the State of Tennessee creating in personam jurisdiction over the defendant by service of process through the Secretary of State of Tennessee.

3. Tigrett Industries, Inc. entered into a contract with Standard Industries, Inc., on the 25th day of November, 1964, an exact copy of which contract is annexed hereto and made Exhibit 1 to this complaint. The aforesaid contract was for the purchase of the assets of the Infant Products Division of Tigrett Industries, Inc., as an operating and going concern, in consideration of the payments therein agreed upon.

4. Plaintiffs allege that Tigrett Industries, Inc., by a duly authorized and validly executed assignment, did convey and assign unto the First National Bank of Jackson, Tennessee and the National Bank of Commerce, of Jack-

son, Tennessee, as trustees, its right to the payments, or "override" to which it was entitled under the contract made Exhibit 1 to this complaint. An exact copy of the aforesaid assignment is annexed hereto and made Exhibit 2 to this complaint.

5. Plaintiffs allege that the defendant, Standard Industries, Inc., is obligated, under its aforesaid contract, to pay to Tigrett Industries, Inc., as a part of the purchase price, an override of 2% of the gross sales of the products covered by said contract and known in the industry as,

The Play-A-Round
The Thru-the-Door
The 38 x 38
The Golden Convertible
The Expander
The Tag-A-Long

Plaintiffs allege that defendant is obligated to make such payments quarterly without any deduction, for a period of five years from the date of the closing of the sale.

6. Plaintiffs allege that the defendant, Standard Industries, Inc., has failed and refused, and still refuses to make the payments referred to as "override", required of them by the contract, and that the defendant has refused and declined to permit plaintiffs or their duly authorized representative to inspect its books and records, covering the manufacture, distribution and sale of the aforesaid products, except with respect to The Golden Convertible, The Tag-A-Long and The Expander. Plaintiffs, therefore, allege that the defendant has breached the aforesaid provisions of its contract and is now in default with respect to the payments now due to the plaintiffs.

Amended Complaint, Civil Action No. 1581

7. Plaintiffs further allege that the defendant, Standard Industries, Inc., contemporaneously with the purchase of the Infants Products Division of Tigrett Industries, Inc., did cause to be created a subsidiary corporation, known as Jackson Furniture Corporation, for the purpose of continuing the operations of the plant and facilities acquired by it, and said Jackson Furniture Corporation is now engaged in the manufacture and sale of the aforesaid items of infant furniture, but under the direction, control and management of the defendant. At the direction of the defendant, to facilitate the transfer of ownership without interruption and as a going concern, Tigrett Industries, Inc., transferred and conveyed the physical assets of the Infant Products Division of Tigrett Industries, Inc., directly to the Jackson Furniture Corporation.

8. That prior to the 25th day of November, 1964, the plaintiff, Tigrett Industries, Inc., hereinafter called Tigrett, and the defendant entered into certain conversations and negotiations pertaining to the execution of the aforesaid contract for the sale and purchase of the assets of the Infant Products Division of Tigrett, as an operating and going concern, from Tigrett by the defendant; that as a result of said conversations and negotiations, it was orally agreed between the parties hereto, among other things, that as part of the purchase price of the assets and business, the defendant would pay to the plaintiff Tigrett, for a term of five years an override of two (2%) per cent of the gross selling price of the products then being manufactured and sold by Tigrett, namely: The Play-A-Round; Thru-The-Door; 38 x 38; The Golden Convertible; The Expander, and The Tag-A-Long.

That by mutual mistake of the parties, or at least by the mistake on the part of the plaintiff and inequitable conduct on the part of the defendant, said written contract hereinbefore set forth did not fully and truly express the intention

and meaning of the parties as to the payment of the two (2%) per cent override on specifically named and manufactured products, which were manufactured by and were part of the business being sold by Tigrett to Standard.

That said mutual mistake or mistake and inequitable conduct consisted of ambiguously expressing the payment of the two (2%) per cent sales price override relative to the use of certain patents sold by Tigrett to Standard on a covered product basis, rather than explicitly expressing it in clear and precise language that the two (2%) per cent override was to be paid as part of the purchase price of the assets of Tigrett, and was to be paid specifically as it related to certain named, described and existing products, without regard to patents.

And that by mutual mistake of the parties, the written contract hereinbefore set forth did not fully and truly express the intention and meaning of the parties as to who was to be the recipient of the three (3%) per cent and the two (2%) per cent royalty and override payments.

That said mutual mistake consisted of ambiguously expressing in said contract that Standard Industries, Inc. was to pay both the said three (3%) per cent and two (2%) per cent royalty and override payments to the plaintiff, Tigrett Industries rather than explicitly stating that Standard was to pay the three (3%) per cent royalty payments to John Burton Tigrett, and the two (2%) per cent override payments to the plaintiff, Tigrett Industries.

7. Exhibits 1 and 2, filed with the original Complaint, are to be considered as filed as Exhibits to this Amended Complaint and treated as a part hereof.

Wherefore, the plaintiffs demand judgment,

1. Praying that the contract be reformed to fully express the intent of the parties.

2. That upon the contract being so reformed, for an accounting, and for the payments due under the contract as reformed.

3. For such other sums as the defendant may be found, on accounting, to be indebted to the plaintiffs under said reformed contract.

4. For such damages as plaintiffs have sustained as a result of the willful refusal and failure of defendant to perform its obligations under the aforesaid contract, as reformed, and

5. For the specific performance by the defendant of its duties and obligations under said reformed contract in the future.

6. In the alternative should reformation be denied, for the specific performance by the defendant of its duties and obligations under the original contract, and for such further and other relief as the plaintiffs may be entitled to.

Moss & Benton
First National Bank Building
Jackson, Tennessee

L. L. Pennebaker
National Bank of Commerce Building
Jackson, Tennessee

Waldrop, Hall & Perkins
106 S. Liberty
Jackson, Tennessee

Murchison & Murchison
Bond Building
Jackson, Tennessee

Ralph Kaiser
721 Olive Street
St. Louis, Missouri

Answer, Civil Action No. 1381

Defendant, answering the amended complaint herein, respectfully shows to the Court and alleges:

First: Defendant admits the allegations in Paragraph 1 and 3 of the amended complaint, except as to the matter in controversy exceeding Ten Thousand ($10,000.00) Dollars, exclusive of interest and cost, which it denies.

Second: Defendant denies each and every allegation contained in paragraphs 2, 4, 5, 6, 7 and 8 of the amended complaint.

As and for a First Separate, Distinct and Complete Defense, Defendant Alleges:

That the defendant denies that the Court has jurisdiction of this case insofar as the amended complaint seeks to reform a written contract.

As and for a Second Separate, Distinct and Complete Defense, Defendant Alleges:

That the said John Burton Tigrett and Hewitt Tomlin, Jr. were not authorized to make any agreement, either written or oral, binding the Plaintiff Corporation. Defendant further alleges the contract constituting Exhibit 1 to the original complaint, and Exhibit 1 of the amended complaint herein, or any oral agreement alleged to have been entered into by the parties, was not authorized by an authorized resolution of the Board of Directors of the Plaintiff Corporation, nor by an authorized resolution of the Stockholders of the Plaintiff Corporation.

Answer, Civil Action No. 1581

As and for a Third Separate Distinct and Complete Defense, Defendant Alleges:

That the aforesaid contract constituting Exhibit 1 to the original and amended complaint sets forth the only agreement and contract entered into between Tigrett Industries, Inc. and Standard Industries, Inc. and said contract was entered into in good faith by Defendant Corporation and fully expresses the intentions and meaning of the parties.

As and for a Fourth Separate, Distinct and Complete Defense, Defendant Alleges:

That the defendant denies that the Plaintiff Corporation and the Defendant Corporation were mistaken as to the language, contents, and the meaning of the aforesaid contract.

As and for a Fifth Separate, Distinct and Complete Defense, Defendant Alleges:

That the defendant denies that there was a mutual mistake between the Plaintiff Corporation and Defendant Corporation in the execution of the aforesaid contract and the intention of the parties with reference to same, and further denies that the Defendant Corporation, was guilty of inequitable conduct whatsoever in the negotiation thereof and execution of the aforesaid contract.

As and for a Sixth Separate Distinct and Complete Defense, Defendant Alleges:

That the defendant denies that there existed between the Plaintiff Corporation and Defendant Corporation any

agreements or contracts other than the aforesaid contract marked Exhibit 1 to the original amended complaint.

As and for a Seventh Separate, Distinct and Complete Defense, Defendant Alleges:

That the defendant denies that it has failed and refused to pay the royalties to the Plaintiff Corporation, as alleged, and denies further that it has breached any provisions of the aforesaid contract and denies that it is indebted to the Plaintiff Corporation in any amount whatsoever.

WHEREFORE, Defendant prays that the amended complaint herein be dismissed with costs.

STANDARD INDUSTRIES, INC.
By DIAMOND & HOLT
Diamond and Holt

To:

WALDROP HALL & TOMLIN, ESQS.
MURCHISON & MURCHISON, ESQS.

Amended Complaint, Civil Action No. 1625

Plaintiff, for his cause of action, states that:

1. Plaintiff, John Burton Tigrett, is presently and has at all times mentioned herein, been a resident of the City of Jackson, County of Madison, State of Tennessee, and is a citizen of the State of Tennessee.

2. Defendant, Standard Industries, Inc., is a corporation existing under and by virtue of the laws of the State of New York, and does not have its principal place of business in Tennessee.

3. The jurisdiction of this cause depends by reason of this suit being of a civil nature between citizens of different States, in which the amount in controversy, exclusive of interests and costs, exceeds of the sum of Ten Thousand Dollars ($10,000.00) under Title 28 of the United States Code, Section 1332.

4. The claim of plaintiff for the relief sought in this action arises from the transaction of business and from the ownership or possession of an interest in property of the defendant in Tennessee, within the meaning of Chapter 67, of the Public Acts of Tennessee of 1965, and other laws of the State of Tennessee creating in personam jurisdiction over the defendant by service of process through the Secretary of State of Tennessee.

5. Plaintiff was the originator, inventor or co-inventor of numerous articles of infant furniture, including play pens and nursery units, upon some of which patent applications had been filed and United States Letters Patent issued, such as, for example only, Nos. 2,790,978, 3,162,865 and 3,162,866.

6. Plaintiff had, prior to November 25, 1964, entered into agreements with Tigrett Industries, Inc., a corporation of the State of Delaware, having its principal place of business in the City of Jackson, State of Tennessee, for the purpose of according the said Tigrett Industries, Inc., and more particularly the Infant Production Division thereof, the exclusive right and license to manufacture, use and sell his developments and inventions in infant furniture, including play pens and nursery units upon an agreed royalty for the purpose of furthering the business of Tigrett Industries, Inc., which did actively produce, offer for sale and sell infant furniture developed and/or invented by plaintiff, which products achieved a wide acceptance in the trade among the purchasing public and among which products were those identified by Tigrett Industries, Inc., as:

The Play-A-Round
The Through-The-Door
The 38 x 38
The Golden Convertible
The Expander

The said items provided the basic products of Tigrett Industries, Inc., and the foundation upon which the business was built.

7. Tigress Industries, Inc. did pay plaintiff the agreed upon royalty upon the selling price of each play pen and nursery unit which it produced and sold upon the agreed understanding that the same were covered by the aforesaid letters patent. At no time was there any controversy between plaintiff and Tigrett Industries, Inc., relative to the question of coverage of any one or all of the aforesaid

patents, as both plaintiff and Tigrett Industries, Inc., recognized the right of plaintiff to royalties by reason of his having originated and developed the said items which formed the foundation of the business of Tigrett Industries, Inc. Tigrett Industries, Inc. did, in selling the aforesaid items, utilize the numbers of the patents in question for notifying the public and did, in all respects, accept without controversy the scope of said patents.

8. The said Tigrett Industries, Inc., on November 25, 1964, entered into a contract with defendant, Standard Industries, Inc., a copy of which contract is annexed hereto and made Exhibit 1 to this complaint. The aforesaid contract was for the purchase of the assets of the Infant Products Division of the said Tigrett Industries, Inc., as an operating and going concern in consideration of the payments therein agreed upon.

9. As part of the consideration for the aforesaid purchase by Standard Industries, Inc., Tigrett Industries, Inc., agreed to assign and transfer to defendant all agreements with respect to developments and/or inventions of plaintiff under which Tigrett Industries, Inc. had been operating, including the above-identified products.

10. Plaintiff, in his individual capacity, was also a party to the aforesaid agreement of November 25, 1965, and thereby assented to and confirmed the transfer of the aforesaid agreements under the said patents to defendant, Standard Industries, Inc., in order that it might continue the business of Tigrett Industries, Inc., uninterruptedly and unrestrictedly for producing and selling the said products developed and/or invented by plaintiff, including those which had been fully developed by plaintiff but were not in commercial production at the time of said agreement.

Amended Complaint, Civil Action No. 1625

11. Prior to November 25, 1964, plaintiff, in both his individual capacity and as an agent of Tigrett Industries, Inc., did confer extensively, enter into conversations and negotiations with, agents of Standard Industries, Inc., pertaining to the purchasing of the assets of the Infant Products Division of Tigrett Industries, Inc., as an operating and going concern, and especially with respect to the patents under which Tigrett Industries, Inc. had so long and consistently operated. Plaintiff freely and openly showed all of the patents in question to agents of Standard Industries, Inc., giving them all information thereof so that they might investigate subject patents, if they desired. In discussing particularly Patent No. 2,790,978, plaintiff explained that it was his understanding of the same that it related to the so-called U-bolt construction, which feature related to the cooperation between the legs of the various play pens and the bases thereof, and which particular feature was incorporated in each of the play pens produced and sold by Tigrett Industries, Inc., being identified by the names hereinabove set forth, as well as other play pens such as the "36 x 36," the "Little Traveler", and others which were fully developed for commercial production at the time of said negotiations; all of said products being fully disclosed to Standard Industries, Inc. During the aforesaid negotiations, both plaintiff and defendant accepted the said United States Letters Patent No. 2,790,978 as relating to the U-bolt construction, agreeing for purposes of the agreement in order to provide the bargained for compensation, that the term "U-bolt construction" was merely a designation for conveniently expressing the obligation of royalty payments on all such play pens incorporating such structural feature, and did jointly state in the aforesaid agreement, at paragraph 16(c) the following:

> "On Patent No. 2,790,978, issued May 7, 1957, expiring May 7, 1974, assigned to C. B. Whitlow,

covering U-bolt construction, * * *" (emphasis ours).

12. Plaintiff alleges that defendant, Standard Industries, Inc., is obliged, under the aforesaid agreement dated November 25, 1964, to pay to plaintiff for the aforesaid assignment a royalty of three per cent (3%) of the sale price on the sale of the products agreed by the parties to be covered by said assignments and known in the industry as:

The Play-A-Round
The Through-The-Door
The 38 x 38
The Golden Convertible
The Expander
Little Traveler
The 36 x 36

Each of which incorporates the U-bolt construction as understood by the parties hereto. Plaintiff alleges that defendant is obligated to make such payments quarterly without any deduction for the full term of the assignments.

13. Defendant, Standard Industries, Inc., contemporaneously with the purchase of the Infant's Products Division of Tigrett Industries, Inc., did cause to be created a subsidiary corporation known as the Jackson Furniture Corporation for the purpose of continuing the operations of the plant and facilities acquired by defendant from Tigrett Industries, Inc., and said Jackson Furniture Corporation is now engaged in the manufacture and sale of the aforesaid items of Infant Furniture, including the said play pens and nursery units, as may be readily noted from the advertising sheet published by the Jackson Furniture Corporation and setting forth thereon certain of the said patents herein involved; said sheet being marked Exhibit

2 and being made a part of this complaint. The said Jackson Furniture Corporation is nothing more than an alter ego of defendant, Standard Industries, Inc., operating strictly and totally under the immediate direction, control and management of defendant and, therefore, is only a shell within which defendant actively carries on its business in this District and State.

14. Defendant, Standard Industries, Inc., has failed and refused, and still refuses to pay the royalties provided for in the said agreement of November 25, 1964, to plaintiff, upon the sale of the said products specified in paragraph 10 above. Therefore, defendant has breached the provisions of its contract and is now in default with respect to the royalties now due to plaintiff.

15. Defendant, Standard Industries, Inc., asserts that its refusal to pay the royalties provided in said agreement is based upon its opinion that the claims of the patents assigned do not cover the aforesaid products, and is in complete defiance of its agreement as to its obligation to pay upon devices incorporating the said U-bolt construction.

16a. That by mutual mistake of the parties, or at least by the mistake on the part of the plaintiff, and inequitable conduct on the part of the defendant, said contract for the purchase of the assets of the Infant Products Division of Tigrett Industries, Inc. by defendant did not fully and truly express the intention and meaning of the parties as to the payment of the three per cent (3%) royalty on the specifically named and manufactured products, as well as completed model constructions readied for commercial production which incorporated the U-bolt construction, such as, for instance, the "Little Traveler" and the "36 x 36", which were part of the business being sold by Tigrett Industries, Inc., to Standard Industries, Inc.

b. That said mutual mistake, or mistakes, and inequitable conduct consisted of ambiguously expressing the payment of the three per cent (3%) royalty as both a royalty under an exclusive patent license as well as being a payment upon a specific type of construction, rather than explicitly expressing in direct language that the three per cent (3%) royalty was to be paid upon the products incorporating the agreed upon U-bolt construction by reason of the understanding of the parties as aforesaid.

c. And that by mutual mistake of the parties, the written contract hereinbefore set forth did not fully and truly express the intention and meaning of the parties as to who was to be the recipient of the three (3%) per cent and the two (2%) per cent royalty and override payments.

That said mutual mistake consisted of ambiguously expressing in said contract that Standard Industries, Inc. was to pay both the said three (3%) per cent royalty and two (2%) per cent override payments to Tigrett Industries, Inc., rather than explicitly stating that Standard Industries, Inc. was to pay the three (3%) per cent royalty to plaintiff, John Burton Tigrett and the two (2%) per cent override payment to Tigrett Industries, Inc.

17. Plaintiff alleges that defendant, Standard Industries, Inc., has defaulted in the making of the accounting and the royalties provided in the contract with plaintiff and Tigrett Industries, Inc., and plaintiff is, therefore, entitled to a judgment for the amount of royalties which have accrued to date and to the specific performance of said contract in the future.

18. Exhibits 1 and 2 are to be considered as filed as a part of this Amended Complaint since the same are identical to the corresponding Exhibits filed with the original complaint in this cause.

Amended Complaint, Civil Action No. 1625

WHEREFORE, plaintiff prays:

1. That the contract be reformed to fully express the intent of the parties.

2. That upon the contract being so reformed, for an accounting, and for the payments due under the contract as reformed.

3. For such other sums as the defendant may be found, on accounting, to be indebted to the plaintiff under said reformed contract.

4. For such damages as plaintiff has sustained as a result of the willful refusal and failure of defendant to perform its obligations under the aforesaid contract, as reformed, and

5. For the specific performance by the defendant of its duties and obligations under said reformed contract in the future.

6. In the alternative should reformation be denied, for the specific performance by the defendant of its duties and obligations under the original contract, and for such further and other relief as the plaintiff may be entitled to.

RALPH W. KALASH
721 Olive Street
St. Louis, Missouri 63101

WALDROP, HALL & TOMLAN
By HEWETT TOMLAN
106 South Liberty Street
Jackson, Tennessee

MURCHISON and MURCHISON
By CARMACK MURCHISON
P. O. Box 1830
Jackson, Tennessee
Attorneys for Plaintiff

Answer, Civil Action No. 1625

Defendant, answering the amended complaint herein, respectfully shows to the Court and alleges:

First: Defendant admits the allegations of Paragraphs 1 and 2 of the complaint.

Second: Defendant denies each and every allegation in Paragraphs 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, and 16 of the complaint.

As and for a First Separate, Distinct and Complete Defense, Defendant Alleges:

The defendant denies that the Court has jurisdiction of this case insofar as the amended complaint seeks to reform a written contract.

As and for a Second Separate, Distinct and Complete Defense, Defendant Alleges:

That the said John Burton Tigrett is not the owner, nor does he have title in and to the patents and products alleged in the complaint, nor does he have any interest therein.

As and for a Third Separate, Distinct and Complete Defense, Defendant Alleges:

That the defendant has not utilized nor has its subsidiary, Jackson Furniture Corporation, utilized any products, inventions, or patents alleged to be owned by the plaintiff in the complaint.

Answer, Civil Action No. 2028

As and for a Fourth Separate Distinct and Complete Defense, Defendant Alleges:

That the contract alleged in Paragraph 5 of the complaint and made Exhibit 1 to the same sets forth the only agreement and contract entered into between Tigrett Industries, Inc. and Standard Industries, Inc. and said contract was entered into in good faith and fully expresses the intentions and meaning of the parties.

As and for a Fifth Separate, Distinct and Complete Defense, Defendant Alleges:

That the defendant denies that the parties were mistaken as to language, contents, and the meaning of the aforesaid agreement.

As and for a Sixth Separate, Distinct and Complete Defense, Defendant Alleges:

That the defendant denies that there was a mutual mistake between Tigrett Industries, Inc. and defendant, or that the defendant was guilty of any inequitable conduct whatsoever in negotiation of and execution of the aforesaid agreement, and that said contract fully and truly expresses the intentions and meaning of the parties.

As and for a Seventh Separate, Distinct and Complete Defense, Defendant Alleges:

That the defendant denies that there existed between the Plaintiff Corporation and Defendant Corporation any

agreement or contract other than the aforesaid contract marked Exhibit 1 to the original and amended complaint.

As and for a Eight Separate, Distinct and Complete Defense, Defendant Alleges:

That the defendant denies that it has failed and refused to pay the royalties to the plaintiff as alleged, and denies further that it has breached any provisions of the aforesaid agreement and denies that it is indebted to the plaintiff in any amount whatsoever.

WHEREFORE, Defendant prays that the amended complaint herein be dismissed with costs.

STANDARD INDUSTRIES, INC.
By DIAMOND & HOLT
Diamond and Holt

To:

WALDROP HALL & TOMLIN, ESQS.
MURCHISON & MURCHISON, ESQS.

Order Overruling Defendant's Motion. Civil Action No. 1581

This cause came on for hearing on the 17th day of December, 1965, on defendant's motion to dismiss the complaint, or in the alternative to transfer the action to another District, and the court having considered the proof, presented in the form of affidavits and depositions and witnesses in open court, and having heard the argument of counsel and being fully advised,

THE COURT IS OF THE OPINION that it properly has jurisdiction of the action filed herein, pursuant to and in accordance with Section 20.235, subsections (a), (c) and (d), TCA; and the court finds further that it properly has jurisdiction of the defendant subject to and pursuant to the provisions of Section 20.220 TCA, as under the facts shown the defendant was "doing business" in this state at the time the suit was filed, and that the suit relates to a transaction had in whole or in part with in this state, and further that under the facts as shown, the defendant's subsidiary, Jackson Furniture Corporation, is an alter ego or agent of the defendant corporation.

The court further finds that the proper venue for this action is in the Western District of Tennessee, as prescribed for under Title 28 1391, USCA for the reason that, as under the facts shown, the defendant's subsidiary, Jackson Furniture Corporation, is the alter ego or agent of the defendant, therefore the defendant corporation is considered to be doing business within this Federal District.

That concerning defendant's motion to transfer the case to another Federal District, in accordance with the provisions of Title 28 1404, USCA it is the opinion of the

Order Overruling Defendant's Motion
Civil Action No. 1581

court that it is not in the interest of justice to transfer the case to another District Court.

IT IS, THEREFORE, ORDERED, ADJUDGED AND DECREED by the court that the defendant's motion be as to all matters denied.

Dated: December 29th, 1965.

(Illegible)
United States District Judge

Approved for Entry:

WALDROP, HALL & TOMLIN
By (Illegible) TOMLIN

MURCHISON & MURCHISON
By (Illegible) MURCHISON (HT)
Attorneys for Plaintiff, Tigrett Industries

HANCOCK & MANHEIN
By CHARLES L. HANCOCK
Attorneys for Defendant

Order Overruling Defendant's Motion to Dismiss. Civil Action No. 1625

THIS CAUSE came to be heard on this day, on defendant's motion to dismiss for lack of jurisdiction of the defendant, insufficiency of service of process, and a former suit pending involving the same subject matter.

It being stipulated by the parties that grounds 1 and 2 of the defendant's motion to dismiss present the same questions as to lack of jurisdiction and invalidity of the service of process as raised by similar motion to dismiss in *Tigrett Industries, Inc. et al. v. Standard Industries, Inc.*, Civil Action No. 1581, and that the record made on these issues in Civil Action No. 1581 may be considered in disposing of these grounds of this motion, and the Court having fully considered the record made in Civil Action No. 1581 and being fully advised;

THE COURT IS OF THE OPINION that it properly has jurisdiction of this action pursuant to and in accordance with Sec. 20-235 T. C. A., and the Court further finds that it properly has jurisdiction of the defendant subject to the provisions of Sec. 20-220 T. C. A. since under the facts shown the defendant was "doing business" in this state at the time the suit was filed; and that service of process was properly had pursuant to Sec. 20-235 T. C. A.;

THE COURT IS FURTHER OF THE OPINION that the third ground set forth in defendant's motion, which is that this action should be dismissed because there is a similar suit pending involving the same subject matter, is not well taken.

Memorandum Decision Denying Plaintiffs' Claim for Reformation in Civil Actions Nos. 1581 and 1625

IT IS, THEREFORE, ORDERED, ADJUDGED AND DECREED that the defendant's motion in all respects be and the same is hereby overruled.

This 21st day of February, 1966.

(Illegible)
United States District Judge

Memorandum Decision Denying Plaintiffs' Claim for Reformation in Civil Actions Nos. 1581 and 1625

In these cases, plaintiffs originally sued on a contract between Tigrett Industries, Inc. and defendant, asserting in substance that plaintiffs were not being paid the monies to which they were entitled under this contract. Defendant filed answers, denying that it was failing to pay what was due under this contract. At this stage of the proceedings, it appeared that the only real issue would be to what extent defendant (or its subsidiary) was using the patents named in the contract. However, plaintiffs thereafter amended their complaints, seeking reformation of this contract. As indicated by its amended complaint and statements of plaintiffs' counsel, Tigrett Industries seeks to reform the contract to provide that defendant would be obligated to pay to it (or its assignees) 2% of the sales price of all products of the type which had been manufactured by Tigrett Industries prior to the transfer to defendant. John B. Tigrett seeks to reform the contract to provide (a) that defendant would be obligated to pay 3%

Memorandum Decision Denying Plaintiffs' Claim for Reformation in Civil Actions Nos. 1581 and 1625

of the sales price of all products making use of the "construction" or the "inventions" referred to in the contract and (b) that this royalty would be payable to him rather than to Tigrett Industries (or its assignees). It should appear clear that, if the rights of the parties are to be determined by the contract as it was executed, the main issue would be, as heretofore stated, whether defendant's subsidiary was working within the claims of these patents, but that if their rights are to be determined by the contract as reformed in accordance with plaintiffs' contentions, the question whether defendant's subsidiary was working within the claims of the patents would have little, if any, importance. We therefore have heard the reformation claim initially and separately.

At the hearing all parties agreed that to the extent the 3% royalty was to be paid, it would be paid to Mr. Tigrett and that the contract could be so reformed.

As the basis for reformation, plaintiffs assert mutual mistake or unilateral mistake by Tigrett Industries and Mr. Tigrett plus inequitable conduct on the part of defendant. All agree that such is necessary for reformation of a contract and that plaintiffs have the burden of showing such by clear, cogent and convincing evidence.

Based on all the evidence, we have reached the conclusion that there was no inequitable conduct on the part of defendant in connection with the negotiation and execution of this contract and, further that there was no mistake on the part of defendant. We have also reached the conclusion that there was not even a mistake on the part of Tigrett Industries and Mr. Tigrett. He (and the corporation through him) well knew the terms of the contract

Memorandum Decision Denying Plaintiffs' Claim for Reformation in Civil Actions Nos. 1581 and 1625

when it was executed and did not believe that it provided what he now says it was his intention that it provide.

In so holding that plaintiffs are not entitled to reformation of this contract, we do not mean to indicate that the contract is so clear on its face that parol evidence would not be admissible for purposes of construction. This question we will decide at the next hearing, and if we do decide that parol evidence is admissible, we will consider such evidence as was admitted on the reformation issue as well as additional such evidence that the parties submit.

Since the amended complaint of Tigrett Industries, Inc. et al. additionally seeks only reformation as to the basis for the payments to it, this amended complaint should be dismissed. The amended complaint of John B. Tigrett will by consent be sustained to the extent that it seeks reformation to provide that the 3% royalty, if due, will be paid to him; it will be dismissed to the extent that it seeks reformation as to the basis of the payments to him.

Counsel will prepare an order for entry.

This 21st day of November, 1966.

BAILEY BROWN
Bailey Brown, Judge
Chief Judge

Order Providing that Three (3%) Percent Royalty, If Due, Will Be Paid to John Burton Tigrett, in Civil Action No. 1625

The above styled action came on for trial before the Court without a jury, on the 16th day of November, 1966, and the 17th day of November, 1966, at Memphis, upon the amended complaint of the Plaintiff, the answer thereto of the Defendant, the appearance of all parties before the Court and the appearance of their respective counsel of record, and testimony having been offered, and memorandums having been filed by both parties, and the Court having filed its memorandum decision, now pursuant to said memorandum decision of the Court, it is hereby

ORDERED, ADJUDGED AND DECREED that the amended complaint of the plaintiff be and the same is hereby sustained to the extent that it seeks reformation to provide that the three (3%) percent royalty, if due, will be paid to the said John Burton Tigrett, plaintiff, and said amended complaint will be dismissed to the extent that it seeks reformation of the contract (Exhibit 1) as to the basis of the payments due the plaintiff.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Court that the subsequent hearing to be held in this matter is to be had upon the original complaint and answer filed in this cause, and there is reserved for this subsequent hearing the question of whether or not parole evidence would be admissible for the purpose of construing the contract. The costs in this proceeding regarding the reformation hearing are to be taxed to the plaintiff.

Order Dismissing Action for Reformation in Civil Action No. 1581

Dated this the 9 day of Dec., 1966.

(Illegible)
United States District Judge

Approved:

Murchison & Murchison
Ralph Kalish
Waldrop, Hall & Tomlin
Attorneys for Plaintiff

Diamond & Holt
Attorneys for Defendant

Order Dismissing Action for Reformation in Civil Action No. 1581

The above styled action came on for trial before the Court without a jury, on the 16th day of November, 1966, and the 17th day of November, 1966, at Memphis, upon the amended complaint of the Plaintiffs, the answer thereto of the Defendant, the appearance of all parties before the Court and the appearance of their respective counsel of record, and testimony having been offered, and memorandum briefs having been filed by both parties, and the Court having filed its memorandum decision, now pursuant to said memorandum decision of the Court, it is hereby

Order Dismissing Action for Reformation in Civil Action No. 1581

ORDERED, ADJUDGED AND DECREED that the amended complaint of the plaintiffs be and the same is hereby dismissed insofar as it seeks reformation of the contract. (Exhibit 1)

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Court that the subsequent hearing to be held in this matter is to be had upon the original complaint and answer filed in this cause, and there is reserved for this subsequent hearing the question of whether or not parole evidence would be admissible by the plaintiffs for the purpose of construing the contract. The costs in this proceeding on the question of reformation shall be taxed to the plaintiffs.

Dated this the 9 day of Dec., 1966.

(Illegible)
United States District Judge

Approved:

MURCHISON & MURCHISON
RALPH KALISH
WALDROP, HALL & TOMLIN
Attorneys for Plaintiffs

DIAMOND & HOLT
Attorneys for Defendant

Memorandum Decision of District Court in Civil Actions Nos. 1581 and 1623

In this memorandum decision we will collectively refer to defendant, Standard Industries, Inc., and its involved operating subsidiary, Jackson Furniture Co., as "defendant."

After these actions were set for trial on the original complaints and the answers thereto, plaintiffs filed amended complaints in which they sought reformation of the contract that is the basis of these actions. Since the reformation of the contract as plaintiffs sought would mean that the issues to be tried would be substantially different from the issues that had been theretofore made, we first held a separate hearing on the reformation question, following which we, on November 21, 1966, entered a Memorandum Decision.

In that decision, we determined that plaintiffs were not entitled, as they sought, to have reformation of the contractual provisions governing the basis for the payment of royalties; but we did determine, with the consent of all parties, that the contract would be reformed to provide that if a 3% royalty was due from defendant, it was payable to plaintiff John Burton Tigreff, rather than to plaintiff Tigreff Industries, Inc. as had been provided in the contract. We further stated in that decision that, in denying reformation of the contract, we did not intend to foreclose a contention by plaintiffs that the contract is ambiguous and to foreclose the introduction of parol evidence as an aid in the construction of the contract.

The subsequent and final hearing of these actions then took place on April 5 and 6, 1967, the record of this hearing was transcribed, and the parties have filed briefs directed to the issues before the Court in this final hearing.

Memorandum Decision at District Court [illegible]

Nos. 1181 and 1255

At the outset of this final hearing it was ruled, with the agreement of all parties, that in the event that the Court should determine that the contract was ambiguous and that parol evidence was therefore admissible, we could and would consider all such relevant evidence admitted at the prior hearing on the reformation issue. We further ruled that if plaintiffs sought to introduce additional parol evidence in support of their contentions as to the proper construction of the contract, we would conditionally admit all such relevant evidence, subject to a later ruling on the question of the ambiguity of the contract and admissibility of such parol evidence. Plaintiffs subsequently did offer some additional parol evidence which was conditionally so admitted.

Plaintiff Mr. Tigrett conceded (R. 24-25) that the contract is not ambiguous as to the basis of his right to receive the 2½ royalty set out in paragraphs 10(c) (d) and (e) of the contract and that under these provisions he would be entitled to receive such royalty only with respect to products covered by the claims of the patents named therein.

On the other hand it is the contention of plaintiff Tigrett Industries, Inc. and plaintiff Bates as assignee of its royalty rights (R. 12-15) that the contract is ambiguous as to the basis of its right to receive the 2½ "over ride" royalty set out in paragraphs 10(c) (d) and (e) and that the Court, upon consideration of the parol evidence, should construe the contract as to require the payment of such royalty on products not within the claims of these named patents. It is not, however, altogether clear from the record and the pre-trial briefs whether these plaintiffs contend that such are entitled to royalty (1) on all products using the [illegible] construction or (2)

on all play pens, or (3) on all products whatsoever, provided, perhaps, that the products are of the same kind as those manufactured by plaintiff Tigrett Industries, Inc. at the time of the sale of the business to defendant. However, since we conclude herein that, under a proper construction of the contract, plaintiff Tigrett Industries, Inc. (and the Banks), like plaintiff Mr. Tigrett, is entitled to royalty only on products within the claims of these patents, it is not necessary for us to determine on which additional products it is entitled to royalty. Moreover, while we think it highly doubtful that the contract is sufficiently ambiguous to allow the admission of parol evidence, since we would so construe the contract whether we consider the contract with or without the parol evidence, we will consider the parol evidence as admitted for this purpose.

At the outset, it should be said that paragraphs 16(c) (d) and (e) seem to be clear that both the 3% and the 2% "over ride" royalties are to be paid only on products covered by the patents named therein. Plaintiffs seem to concede as much, because it is admitted that, as heretofore stated, these provisions are completely clear that plaintiff Mr. Tigrett is entitled to the 3% royalty only on such covered products, and of course these provisions establish the same basis for the 2% "over-ride" royalty as for the 3% royalty. But say plaintiffs Tigrett Industries, Inc. and the Banks, an ambiguity as to the basis of their right to receive the 2% "over ride" royalty is introduced by paragraph 17 of the contract. With respect to this paragraph, it is agreed by all that the word "Buyer" in the fifth line should read "Seller." Paragraph 17 provides that if 5% of the net income before taxes of the new operating company (Jackson Furniture Co.) in a fiscal year exceeds the total of the 2% "over ride" royalties due

Memorandum Decision of District Court in Civil Actions Nos. 1381 and 1622.

2. That the products are not within the claims of the patents.

With respect to two of the patents, that named in [illegible] and that named in [illegible] the [illegible] the underlying agreements (Exs. [illegible] between Mr. Tigrett and Tigrett Industries, Inc. provide that the agreements would be automatically cancelled upon assignment for the benefit of creditors by Tigrett Industries, Inc.; that, after the execution on December 22, 1966 by Tigrett Industries, Inc. of the transfer of the patent rights to the defendant, Tigrett Industries, Inc. on April 26, 1966 made such an assignment to plaintiff Banks; that such assignment to the Banks cancelled the underlying agreement; and that therefore the licenses (sublicenses) to defendant have likewise been cancelled.

Counsel for plaintiffs (fn. 1) [illegible] withdrew their contention that defendant is using the patent named in paragraph [illegible]

Counsel for defendant in its initial post-trial brief, [illegible] withdrew its contention that its play-pen known as "Play N Round" is not utilizing the patent named in paragraph [illegible]

With these stipulations and concessions, we therefore have only two issues:

1. Whether the licenses (assignments) to defendant of the patents named in paragraphs [illegible] and [illegible] and [illegible] respectively have been cancelled by a cancellation of the underlying agreements.

2. Whether the defendant's play pen known as "Hidden [illegible] utilizes the patent named in paragraph [illegible]

With respect to the cancellation issue, defendant in its brief merely restates its position without any real argument and with no authorities. We think that, without citing authorities, it can easily be demonstrated that there is nothing to defendant's cancellation position.

In the first place, in the licenses (assignments) (Exs. 3a and 4a) executed on December 22, 1961 by Everett Industries, Inc. in favor of defendant, both of which were approved by plaintiff, Mr. Everett, all rights were transferred to defendant and defendant assumed all obligations to Mr. Everett; it therefore was contemplated by all concerned that defendant would step into the shoes of Everett Industries, Inc. for all purposes and consequently the latter assignment for the benefit of creditors by Everett Industries, Inc. would not result in a cancellation. Secondly, Mr. Everett wanted as chief officer of Everett Industries, Inc. the assignment for the benefit of creditors to the Bankers Trust Co. and yet he has contended and is now contending that defendant owes him royalty pursuant to the assignment of these patent rights to it. Certainly Mr. Everett, for whose benefit the cancellation clause was placed in the underlying agreements, has waived any right he may have had to rely on a cancellation of the underlying agreements by virtue of the assignment to the Bankers for the benefit of creditors. He is in fact in the position of disavowing any such cancellation. Finally, the position of defendant in this litigation is inconsistent with its contention that the [illegible] it has been estopped [illegible] defendant has the right to attack that of a licensee and has asserted that as a licensee it could not attack the validity of the involved patents.

We therefore conclude that the licenses (assignments) to defendant of these patent rights have not become illegal because of a cancellation of the underlying agreements.

testimony and by the common sense proposition that if the planes of two frames are parallel, they are "in planar parallel relation."

The other and main contention of defendant on the issue of infringement involves the following language in claim 1:

> "... drawstrings engaged to the lower end edge of said netting beneath said base plate, said base plate having a pair of spaced openings, said drawstrings being threaded upwardly through said openings in said base plate and being mutually tiedly engaged above said base plate for providing a grip for convenient manipulation for said netting to elevate said base plate by upward pulling on said grip."

It will be noted the quoted language calls for "a pair of spaced openings" in the base plate through which the drawstrings are threaded upwardly. On the other hand, both of defendant's models have only one hole in the base plate through which the drawstrings are threaded upwardly, and thus, argues defendant, its device does not infringe claim 1.

We are satisfied from the proofs, however, as plaintiff contends, that the doctrine of equivalents is applicable here because the two structures work in substantially the same way and with the same result. [illegible]

Not content, in the presentation of its proof, seemed also to be relying heavily on the doctrine of file wrapper estoppel with respect to the issue now under discussion, but argues this only by a brief reference to the doctrine in its second brief. In any event, we are satisfied that there is nothing in the history of the prosecution of this patent or any particularly the Adamson patent that prevents plaintiffs from contending here that the single opening in defendant's base plate is the equivalent of the two spaced openings called for by Claim 1 of this patent. The two spaced openings as such had nothing to do with the final approval of this patent.

In view of our ruling that the accused structure is the equivalent of the two spaced openings of Claim 1 and that the doctrine of file wrapper estoppel is not applicable here, it is not necessary for us to rule on plaintiffs' contention that the failure of defendant to give notice under [illegible] of its reliance on the Adamson patent and any patents prevents defendant from relying on such prior art patents.

It appears that one of the attorneys for defendant and its father obtained a patent on a play pen shortly before the hearing which patent apparently was issued on the theory that it embodies some improvement over the patent on which plaintiffs rely. However, defendant correctly concedes in its briefs that the subsequent issuance of that patent represents no defense to it if, as we have already determined, its structure is covered by the claims of the first-named patent.

We therefore conclude that plaintiffs are entitled to recover royalties and hereby find in the amount prayed for in paragraph [illegible] and set of the counsel on all

Judgment in Civil Action No. 1581

with the terms and provisions of a contract entered into by Tigrett Industries, Inc. and Standard Industries, Inc. on November 25, 1963.

5. That the Plaintiff, Tigrett Industries, Inc. as aforesaid, is entitled to recover royalties not heretofore paid in the amount established by paragraphs 16 (c) and (e) of said contract, together with interest thereon from the date on which, under the contract, such royalties should have been paid, and, likewise, are entitled to such royalties for the full term of the five (5) year period as defined in paragraphs 16 (c) and (e) of said contract.

6. In the event that the amount of such royalties due upon computation under paragraph 17 should exceed the amount due upon computation under paragraph 16 (c) and (e), plaintiff shall be entitled to be paid such excess.

7. For the reasons stated in the opinion, Plaintiff's request for attorney fees is disallowed.

8. If the parties to this cause are not able to agree as to the dollar amount due the Plaintiff, then, in accordance with this Judgment, the Court will entertain a motion for the appointment of a master to determine said amount.

The costs of this cause are assessed one-third against the Plaintiffs and two-thirds against the Defendant.

On Motion of counsel for Plaintiffs, a lien is hereby expressly declared upon any recovery herein for the purpose of satisfying attorney fees due Waldrop, Hall & Tisdin, Attorneys, and Ralph Kalish, Attorney, counsel for Plaintiffs.

Enter this 11 day of March, 1968.

Ramsey Brown
Chief Judge

Judgment in Civil Action No. 1625

Subsequent to the entry of our Memorandum Decision on December 27, 1967, plaintiff, in accordance with the directions of the Court, prepared a proposed judgment which was submitted to defendant. Defendant, however, did not approve as to form such proposed judgment. Thereafter, the Court directed defendant forthwith to prepare and submit an alternative proposed judgment, which the defendant failed to do. The Court thereupon, with slight alteration, is now duly entering the judgment as prepared and submitted by plaintiff.

IT IS ORDERED AND ADJUDGED BY THE COURT AS FOLLOWS:

1. That the play pen produced and sold by Jackson Furniture Company, identified as "Play A Round," is covered by the claims of U. S. Letters Patent No. 2,790,978.

2. That the play pen produced and sold by Jackson Furniture Company, identified as the "Holden Convertible," is covered by the claims of U. S. Letters Patent No. 3,162,867.

3. Plaintiff, John Burton Tigrett, is entitled to a three (3) percent royalty upon all play pens produced and sold by Jackson Furniture Company covered by said Letters Patent No. 2,790,978.

4. Plaintiff, John Burton Tigrett, is entitled to a three (3) percent royalty on each of the play pens produced and sold by Jackson Furniture Company covered by U. S. Letters Patent No. 3,162,867.

5. Said Plaintiff is entitled to and those [illegible] percent royalties for the full period of said patents as prescribed by paragraphs [illegible] and [illegible] of a contract between Tigrett

Order Extending Time to Docket Record on Appeal in Civil Actions Nos. 1581 and 1625

Order Extending Time to Docket Record on Appeal in Civil Actions Nos. 1581 and 1625

It appears to the Court that the first hearing in this case took place on November 16 and 17, 1966, which had to do only with the claim of plaintiffs for reformation of the contract which was the basis of these actions, and that a Memorandum Decision was entered by the Court on November 21, 1966 denying the claim for reformation. It further appears that the second hearing was held on April 5 and 6, 1967, at which plaintiffs contended, *inter alia*, that in any event said contract was ambiguous and that parol evidence should be received in construing the contract; at this hearing, it was agreed that all evidence introduced at the reformation hearing would be considered on the issue as to the ambiguity and the construction of the contract. At the conclusion of this hearing, considering all of the evidence adduced at the prior hearing and additional evidence introduced at this hearing, the Court concluded that the contract, if ambiguous, should be construed as defendant contended, and therefore in rendering its Memorandum Decision on December 27, 1967, the Court construed the contract as defendant contended. Accordingly, since plaintiffs are not appealing this determination by the Court, the transcript of the testimony of the first hearing is not necessary for a decision of this appeal, and we construe the letter of counsel for defendants to the Court Reporter as not ordering that part of the record.

Since the transcript of the second hearing was prepared by the Court Reporter for the benefit of counsel and the Court following that hearing, it is immediately available and, since request of counsel for defendant has been received, it has been filed with our Clerk; therefore, our Clerk can forthwith send to the Clerk of the Court of Appeals the entire relevant record in this case and therefore an extension of time beyond May 15, 1968, on which

Order Extending Time to Docket Record on Appeal in Civil Actions Nos. 1581 and 1625

date the time would expire, to and including May 20, 1968, would suffice for all purposes.

It further appears that under Rule 73(g) the Court on its own motion may extend time and, considering the foregoing circumstances, the Court is of the opinion that the time should be extended to and including May 20, 1968. It is so ORDERED.

It is further ordered that said letter of counsel for defendant to the Court Reporter dated May 10, 1968 and said letter of counsel for plaintiffs dated May 13, 1968 to this Court be filed in these causes.

ENTER this 14th day of May, 1968.

BAILEY BROWN
Chief Judge

Docket Entries—Case No. 18,700

UNITED STATES COURT OF APPEALS

FOR THE SIXTH CIRCUIT

Filings—Proceedings

1968

May 20 *Certified record* (1 vol. pleadings, 3 vols. transcript and 2 vols. depositions), filed; and cause docketed

May 23 Appearance of counsel for Appellees

May 23 Motion: Appellant's brief and appendix to 10/7/68; limiting the printing to certain documents in the appendix; limiting the issues to be determined; consolidating appeals 18,700-1-2-3; requiring attorneys for Appellees to appoint a single "leading counsel", with affidavit and proof of service

May 24 Appearance of counsel for Appellees

May 27 Appearance of counsel for Appellant

May 27 Appearance of counsel for Appellees

May 27 Motion of Appellees to strike motion filed May 23, 1968 by Appellants, with affidavit and proof of service

June 7 Order extending time for filing Appellant's brief to 9/1/68; denying Appellant's motion to limit material to be included in appendix; denying motion of Appellant to limit issues to be determined on the appeal; consolidating appeals 18,700-1-2-3; and denying motion to appoint a single leading counsel (Combs, J.) Q-228

Aug. 9 Motion: Brief for Appellant and appendix to 11/30/68 (Allowed to 10/31/68—JW

Aug. 13 Motion of Appellees to strike motion of Appellant for extension of time

Docket Entries—Case No. 18,700

Aug. 28 Replying affidavit in support of Appellant's motion for extension
Aug. 30 Appellant's designation of issues and contents of appendix
Sep. 9 Appellees' designation as to contents of appendix
Oct. 28 Stipulation: Appellant's brief and appendix to 11/29/68 (Approved, but no further extensions will be allowed—JWP)
Nov. 21 Ten copies of Appendix
Nov. 27 Twenty-five copies of Appellant's Brief
Nov. 27 Proof of service of Appellant's brief
Dec. 30 Twenty-five copies of Appellee's Brief
Dec. 30 Proof of service of Appellee's brief

1969

Jan. 13 Twenty-five copies of Appellant's Reply Brief
Jan. 13 Proof of service of Appellant's reply brief
Apr. 16 Cause argued and submitted (Before: Edwards, Celebrezze and Gordon, JJ. Q-744
May 27 Judgment of the District Court affirmed R-53
May 27 Opinion Per Curiam (Edwards, J.) 3 pp.
June 17 Mandate issued (No costs taxed)
Opinion with mandate
June 19 Motion of Appellees for leave to file cost bill
June 30 Order denying motion of Appellees for leave to file a cost bill out of time (Edwards, J.) R-129
July 9 Certified record for certiorari application, including original record on appeal, mailed to Clerk of Supreme Court
Aug. 11 Notice of filing petition for certiorari 8/8/69 (Sup. Ct. No. 445)
Nov. 3 Certified copy of order of Supreme Court granting certiorari 10/27/69

Docket Entries—Case No. 18,701

UNITED STATES COURT OF APPEALS

FOR THE SIXTH CIRCUIT

Filings—Proceedings

1968

May 20—*Certified record* (1 vol. pleadings, 3 vols. transcript and 2 vols. depositions), filed; and cause docketed

May 23 Appearance of counsel for Appellees

May 23 Motion: Appellant's brief and appendix to 10/7/68; limiting the printing in appendix; limiting the issues to be determined; consolidating appeals 18,700-1-2-3; requiring attorneys for Appellees to appoint a single "leading counsel", with affidavit and proof of service

May 24 Appearance of counsel for Appellees

May 27 Appearance of counsel for Appellant

May 27 Appearance of counsel for Appellees

May 27 Motion of Appellees to strike motion filed May 23, 1968 by Appellants, with affidavit and proof of service

June 7 Order extending time for filing Appellant's brief to 9/1/68; denying Appellant's motion to limit material to be included in appendix; denying motion of Appellant to limit issues to be determined on the appeal; consolidating appeals 18,700-1-2-3; and denying motion to appoint a single leading counsel (Combs, J.) Q-228

Aug. 9 Motion: Brief for Appellant and appendix to 11/30/68 (Allowed to 10/31/68)—

Aug. 13 Motion of Appellees to strike motion of Appellant for extension of time

Aug. 28 Replying affidavit in support of Appellant's motion for extension

Docket Entries—Case No. 18701

Aug. 30 Appellant's designation of issues and contents of appendix
Sep. 9 Appellees' designation as to contents of appendix
Oct. 28 Stipulation: Appellant's brief and appendix to 11/29/68 (Approved, but no further extensions will be allowed—JWP)
Nov. 21 Ten copies of Appendix
Nov. 27 Twenty-five copies of Appellant's Brief
Nov. 27 Proof of service of Appellant's brief
Dec. 30 Twenty-five copies of Appellee's Brief
Dec. 30 Proof of service of Appellee's brief

1969

Jan. 13 Twenty-five copies of Appellant's Reply Brief
Jan. 13 Proof of service of Appellant's reply brief
Apr. 16 Cause argued and submitted (Before: Edwards, Celebrezze and Gordon, JJ.) Q-744
May 27 Judgment of the District Court affirmed R-53
May 27 Opinion Per Curiam (Edwards, J.) 3 pp.
June 17 Mandate issued (No costs taxed)
Opinion with mandate
June 19 Motion of Appellees for leave to file cost bill
June 30 Order denying motion of Appellees for leave to file a cost bill out of time (Edwards, J.) R-129
July 9 Certified record for certiorari application, including original record on appeal, mailed to Clerk of Supreme Court
Aug. 11 Notice of filing petition for certiorari 8/8/69 (Sup. Ct. No. 445)
Nov. 3 Certified copy of order of Supreme Court granting certiorari 10/27/69

Docket Entries—Case No. 18,702

UNITED STATES COURT OF APPEALS

FOR THE SIXTH CIRCUIT

Filings—Proceedings

1968

May 20 *Certified record* (1 vol. pleadings, 1 vol. deposition, and 2 vols. transcript), filed; and cause docketed

May 23 Appearance of counsel for Appellees

May 23 Motion; Appellant's brief and appendix to 10 7 68; limiting printing in appendix; limiting the issues to be determined; consolidating appeals 18,700-1-2-3; requiring attorneys for Appellees to appoint a single "leading counsel", with affidavit and proof of service

May 24 Appearance of counsel for Appellees

May 27 Appearance of counsel for Appellant

May 27 Appearance of counsel for Appellees

May 27 Motion of Appellees to strike Appellant's motion of 5 23 68, with affidavit and proof of service

June 7 Order extending time for filing Appellant's brief to 9 1 68; denying Appellant's motion to limit material to be included in appendix; denying motion of Appellant to limit issues to be determined on appeal; consolidating appeals 18,700-1-2-3; and denying motion to appoint a single leading counsel (Combs, J.) Q-228

Aug. 9 Motion: Brief for Appellant and appendix to 11 30 68 (To 10 31 68—JWP)

Aug. 13 Motion of Appellees to strike motion of Appellant for extension of time

Aug. 28 Replying affidavit in support of Appellant's motion for extension

Aug. 30 Appellant's designation of issues and contents of appendix

Docket Entries—Case No. 18,702

Sep. 9 Appellee's designation as to contents of appendix
Oct. 28 Stipulation: Appellant's brief and appendix to 11 29 68 (Approved, but no further extensions will be allowed—JWP)
Nov. 21 Ten copies of Appendix
Nov. 27 Twenty-five copies of Appellant's Brief
Nov. 27 Proof of service of Appellant's brief
Dec. 30 Twenty-five copies of Appellee's Brief
Dec. 30 Proof of service of Appellee's brief

1969

Jan. 13 Twenty-five copies of Appellant's Reply Brief
Jan. 13 Proof of service of Appellant's reply brief
Apr. 16 Cause argued and submitted (Before: Edwards, Celebrezze and Gordon, JJ.) Q-744
May 27 Judgment of the District Court affirmed R-53
May 27 Opinion Per Curiam (Edwards, J.) 3 pp.
June 17 Mandate issued (No costs taxed)
Opinion with mandate
June 19 Motion of Appellees for leave to file cost bill
June 30 Order denying motion of Appellees for leave to file a cost bill out of time (Edwards, J.) R-129
July 9 Certified record for certiorari application, including original record on appeal, mailed to Clerk of Supreme Court
Aug. 11 Notice of filing petition for certiorari 8 8 69 (Sup. Ct. No. 445)
Nov. 3 Certified copy of order of Supreme Court granting certiorari 10/27/69

Docket Entries—Case No. 18,703

UNITED STATES COURT OF APPEALS

FOR THE SIXTH CIRCUIT

Filings—Proceedings

1968

May 20 *Certified record* (1 vol. pleading, 1 vol. depositions and 2 vols. transcript), filed; and cause docketed

May 23 Appearance of counsel for Appellees

May 23 Motion: Appellant's brief and appendix to 10 7 68; limiting printing in appendix; limiting the issues to be determined; consolidating appeals 18,700 1-2-3; requiring attorneys for Appellees to appoint a single "Leading Counsel", with affidavit and proof of service

May 24 Appearance of counsel for Appellees

May 27 Appearance of counsel for Appellant

May 27 Appearance of counsel for Appellees

May 27 Motion of Appellees to strike motion of Appellant filed 5 23 68, with affidavit and proof of service

June 7 Order extending time for filing Appellant's brief to 9 1 68; denying Appellant's motion to limit material to be included in appendix; denying motion of Appellant to limit issues to be determined on appeal; consolidating appeals 18,700-1-2-3; and denying motion to appoint a single leading counsel (Combs, J.) Q-228

Aug. 9 Motion: Brief for Appellant and appendix to 11 30 68 (Allowed to 10 31 68—

Aug. 13 Motion of Appellees to strike motion of Appellant for extension of time

Aug. 28 Replying affidavit in support of Appellant's motion for extension

Aug. 30 Appellant's designation of issues and contents of appendix

Docket Entries—Case No. 18,703

Sep. 9 Appellee's designation as to contents of appendix
Oct. 28 Stipulation: Appellant's brief and appendix to 11 29 68 (Approved, but no further extensions will be allowed—JWP)
Nov. 21 Ten copies of Appendix
Nov. 27 Twenty-five copies of Appellant's Brief
Nov. 27 Proof of service of Appellant's brief
Dec. 30 Twenty-five copies of Appellee's Brief
Dec. 30 Proof of service of Appellee's brief

1969

Jan. 13 Twenty-five copies of Appellant's Reply Brief
Jan. 13 Proof of service of Appellant's reply brief
Apr. 16 Cause argued and submitted (Before: Edwards, Celebrezze and Gordon, JJ.) Q-744
May 27 Judgment of the District Court affirmed R-53
May 27 Opinion Per Curiam (Edwards, J.) 3 pp.
June 17 Mandate issued (No costs taxed)
Opinion with mandate
June 19 Motion of Appellees for leave to file cost bill
June 30 Order denying motion of Appellees for leave to file a cost bill out of time (Edwards, J.) R-129
July 9 Certified record of certiorari application, including original record on appeal, mailed to Clerk of Supreme Court
Aug. 11 Notice of filing petition for certiorari on 8 8 69 (Sup. Ct. No. 445)
Nov. 3 Certified copy of order of Supreme Court denying certiorari 10 27 69

Decision of the United States Circuit Court of Appeals for the Sixth Circuit

Nos. 18700-701

Nos. 18702-703

UNITED STATES COURT OF APPEALS

FOR THE SIXTH CIRCUIT

TIGRETT INDUSTRIES, INC., etc.,

Plaintiffs-Appellees,

v.

STANDARD INDUSTRIES, INC.,

Defendant-Appellant.

JOHN BURTON TIGRETT,

Plaintiff-Appellee,

v.

STANDARD INDUSTRIES, INC.,

Defendant-Appellant.

APPEAL from the United States District Court for the Western District of Tennessee.

Decided May 27, 1969.

Before: EDWARDS and CELEBREZZE, Circuit Judges, and GORDON,* District Judge.

* Honorable James F. Gordon, United States District Judge for the Western District of Kentucky, sitting by designation.

Decision of the United States Circuit Court of Appeals

PER CURIAM. Appellant, Standard Industries, Inc., appeals from judgments entered in the United States District Court for the Western District of Tennessee in favor of Plaintiffs, Tigrett Industries, Inc., and John Burton Tigrett for license fees under patents.

In this case John Burton Tigrett contracted with a company which he controlled, Tigrett Industries, Inc., to allow it to use his patents. The contract provided for "automatic cancellation" in the event of bankruptcy of Tigrett Industries, or in the event of assignment for the benefit of creditors by that company. Later Tigrett Industries, with Tigrett personally participating, sold its assets, including the patent rights here involved, to Standard Industries, and Standard Industries by that contract undertook to assume all of Tigrett Industries' former responsibilities.

Still later Tigrett Industries made an assignment for benefit of creditors, and Standard, refusing to pay the patent license fees, claimed advantage of the automatic cancellation clause in the original contract between Tigrett and Tigrett Industries.

The two issues decided by the District Judge and presented by this appeal were stated as follows in the District Judge's Memorandum Decision:

> "1. Whether the licenses (assignments) to defendant of the patents named in paragraphs 16(c) and (e), #2,790,978 and #3,162,865, respectively, have been cancelled by a cancellation of the underlying agreements;
>
> "2. Whether the defendant's play pen known as 'Golden Convertible' utilizes the patent named in paragraph 16(e), #3,162,865 (Ex. 10)."

As to the first issue the District Judge held that Standard Industries stepped into Tigrett Industries' shoes, and that the cancellation clause ran only to the benefit of John Burton Tigrett, individually. We agree.

Nor did we find any clear error in the District Judge's factual holding that a certain "Golden Convertible" baby bed which Standard Industries were manufacturing was being manufactured under the patent license under the doctrine of equivalents. The fact that the play pen floor was adjusted up or down by strings running through the floor through one hole rather than two holes did not appear to him to represent a substantial difference. Neither does it to us. *Graver Mfg. Co. v. Linde Co.*, 339 U. S. 605 (1950).

We have reviewed the District Judge's Memorandum Decision and we approve the findings of fact and conclusions of law contained therein.

Affirmed.

Filed May 27, 1969

CARL W. REUSS, Clerk

Docket Entries—Supreme Court of the United States

August 8th, 1969 Petition for Writ of Certiorari filed

September 6th, 1969 Respondent's Brief in Opposition filed

October 27th, 1969 Petition for Writ of Certiorari granted and case placed on Summary Calendar

November 4th, 1969 Additional Docketing Fee of $50.00 paid by Petitioner.

Contract for Purchase of Assets

THIS AGREEMENT made and entered into by and between Tigrett Industries, Inc., a Delaware corporation, qualified to do business in Tennessee, hereinafter sometimes referred to as Seller, and Standard Industries, Inc., a New York corporation, hereinafter sometimes referred to as Buyer, on this 25th day of November, 1964,

WITNESSETH:

WHEREAS, Seller is a corporation engaged in the manufacture and sale of infant products, toys and sporting goods at their plant in Jackson, Tennessee; and

WHEREAS, Seller and Buyer have reached an understanding with respect to the sale by Seller and the purchase by Buyer of substantially all of the assets of the infant products division of Seller, excluding cash items and accounts receivable;

NOW, THEREFORE, FOR AND IN CONSIDERATION of the mutual promises and undertakings as are hereinafter contained, the parties hereto do covenant and agree as follows:

1. SALE OF ASSETS. Seller does hereby agree to sell, assign, transfer, and deliver unto Buyer for the consideration as hereinafter provided, all of the machinery, supplies, tools, equipment, dies, molds, furniture, parts and fixtures, owned and used, by its infant products division in the normal operation of its business, as the same are included and designated on Schedule A, attached hereto and made a part hereof, all raw materials, work in process and finished goods inventory, all trade names, including, but not limited to the names Golden Convertible, Play-A-Round, Thru-The-Door and Tag-A-Long, goodwill, patents, patent licenses,

trademarks, designs, unfilled orders, contracts, and other items of similar nature, and all other goods chattels, and things of all kinds and description owned by this division, excepting the name Tigrett, whether located at their plant or office or wherever the same may be, provided it is specifically understood and agreed that this sale does not include any cash on hand or in banks, accounts receivable, notes receivable, insurance or security deposits. Subject to the terms and conditions of this Agreement and in reliance upon the below mentioned representation and warranties of Seller, Buyer does hereby agree to purchase these said assets and in full consideration therefor shall pay for the account of the Seller in cash a sum of money to be determined as hereinafter provided and to be disbursed as hereinafter provided in paragraph 1 (c) below.

(a) The sum of One Hundred Five Thousand Dollars ($105,000.00) in full payment for all of the items of machinery, parts, tools, equipment, dies, molds, furniture and fixtures, supplies, designs, trade names and trademarks, unfilled orders, contracts.

(b) A sum of money equal to the cost of all items of inventory, including raw materials, work in process, and finished goods as same are on hand at a mutually agreeable date between December 2 and 5. Said inventory shall be jointly taken by a representative of the Buyer and a representative of the Seller who shall agree as to the count and the pricing of the inventory. In determining the cost for raw materials actual invoice prices or market price, if same is lower than actual invoice price shall be used. Direct labor, supervision and manufacturing costs shall be determined for work in process and finished goods inventor-

ies based upon current data. The term "manufacturing costs" as used herein conclusively construed to be a sum equal to fifteen (15) per cent of the total of:

(1) the lower of actual invoice cost or market for raw materials, plus

(2) the direct labor cost, as such costs relate to such work in process and finished goods.

Items of inventory consisting of products which have not sold in the regular course of business for the past three months and any raw material parts or supplies for such items shall be deemed to be obsolete items and shall not be included in calculating the inventory value.

In the event of any disagreement in connection with the valuation of the inventory, same shall be submitted to W. Stuart McCloy, Esq., as sole arbiter and his decision shall be final and binding upon the parties hereto.

(c) The foregoing cash payment for Seller's account shall be made at the closing by delivery of check, subject to collection, to McCloy, Welford & Clark, First National Bank Building, Memphis, Tennessee, to be held in compliance with the Bulk Transfer Provisions of Tennessee Code Annotated. Upon the expiration of the thirty day statutory period for filing creditors claims, as proscribed by T. C. A., Section 47-6-106, said escrow agent shall thereupon disburse all escrow funds pro rata to Seller's creditors in strict compliance with T. C. A. Section 47-6-106. For the purposes hereof the aforementioned provisions of Tennessee Code Annotated are incorporated herein by reference.

2. ASSUMPTION OF LIABILITIES. The parties hereto do specifically understand and agree that Buyer is assuming no obligation or liabilities of Seller whatsoever.

3. LEASE OF PROPERTY. Seller does hereby agree to cause C. B. Whitlow, Trustee, to enter into a lease with Buyer or its designee (in which event Buyer will guarantee performance of the lease) for a period of five years of that property located in the Second Ward of the City of Jackson, Madison County, Tennessee, and more particularly described in written lease contract to Seller from C. B. Whitlow, Trustee, dated August 2, 1962, but effective as of May 1, 1962, at a rental of Twenty-five Thousand Two Hundred Dollars ($25,200.00) per year, payable in monthly installments, and on the same rental terms and conditions as specified in said existing lease contract, copy of which is hereto attached, and the term of this new lease shall start from the date of the closing of this sale. The lease shall be modified to provide that the landlord will, at tenant's request, cause portions of the premises to be sprinklered, in which event tenant will pay to the landlord monthly tenant's savings in fire insurance up to an amount, which, when added to landlord's savings in cost of fire insurance, would cover the cost of such installation. The lease shall also provide for two and one-half year consecutive renewal option upon the same terms and conditions.

4. PRIOR GUARANTEES. It is specifically understood and agreed that Buyer does not assume any obligation or liability whatsoever for any waranties or guarantees of Seller's products, or on sales of any items by Seller to anyone.

5. COMPLIANCE WITH BULK SALES LAW. The parties hereto do specifically agree to promptly effect strict com-

pliance with the provisions of the Tennessee Code Annotated as the same relate to transfers in bulk, and Seller does hereby agree that it will transfer and convey, or cause to be transferred and conveyed, to Buyer or its designee good and valid title to all of the properties being purchased and sold hereunder, free and clear of any lien, charge, claim or encumbrance of any nature whatsoever.

6. Representations and Warranties of Seller. Seller does hereby represent and warrant as follows:

(a) That it is duly organized and presently existing in good standing under the laws of Delaware, the state in which it is incorporated, and that it is duly qualified to do business in the State of Tennessee, and all of its operations are duly authorized by its Certificate of Incorporation.

(b) The execution and delivery of this agreement to Buyer and the sale contemplated hereby have been duly authorized by Seller's Board of Directors and by at least two-thirds of the holders of the issued and outstanding stock of Seller, and Seller will deliver to Buyer certified copies of the resolutions authorizing such sale passed by its said Board of Directors, and Stockholders, such copies having been certified by the Secretary of the Seller.

(c) That it will furnish good title to all the items being sold to Buyer, that it has the right to sell the same; that it will warrant the title to all the same to be free and clear of all encumbrances and liens of every kind; and that it will defend the title thereto against all claims whatsoever.

7. Opinion of Seller's Counsel. At the closing Hewitt Tomlin, Esq. attorney for the Seller, shall furnish his opinion that all of the terms and conditions of this agree-

ment are in full compliance with all applicable statutes and that all appropriate action has been taken by the stockholders and board of directors of the Seller in order to effectuate this agreement, and that the property to be sold and conveyed hereunder is free and clear of any and all liens and encumbrances of whatsoever kind or nature, and that the Bill of Sale will transfer good and marketable title to the property.

8. Representations and Warranties of Buyer. Buyer does hereby represent and warrant to Seller that the purchase as provided herein is within the authorization of its Certificate of Incorporation; and that the purchase provided herein has been duly authorized by its board of directors.

9. Assignment. It is understood and agreed that Buyer may assign this agreement to a new corporation to be formed for the purpose of taking title hereunder upon condition that such assignment shall not release the Buyer from its obligations hereunder.

10. Expenses of Closing. Each of the parties hereto shall bear its own expenses incurred in the negotiation and consummation of this agreement and the cost of taking the inventory contemplated.

11. Execution of Additional Documents. Seller does hereby specifically agree to execute or cause to be executed all such bills of sale, assignments, leases, patent and trade name and trade mark assignments and licenses, or other instruments, documents, or papers as may be deemed reasonably necessary or advisable to carry out each and every provision of this agreement.

Contract for Purchase of Assets

12. Books and Records of Seller. Seller agrees to make its books and records available to Buyer at reasonable times and upon reasonable notice, and does further agree to turn over to Buyer all customer lists, cost data and other records of said infant products division and to keep all other such books and records available to Buyer at Jackson, Tennessee. It is recognized that Buyer is purchasing an existing business, and will have occasion to refer to customers' accounts and correspondence files. Accordingly, Seller agrees to make all of said records available to Buyer in such form as will serve the convenience of Buyer and still protect the interest of Seller in such records.

13. Closing Date. The closing of the purchase and sale provided herein shall take place at Jackson, Tennessee, between the dates of Tuesday, December 8 and Saturday, December 12, 1964, provided that all notice requirements of the Bulk Transfer Statutes have been met and the taking of inventory and pricing completed and agreed upon.

14. Warranty. Seller represents and warrants that Schedule A, referred to in paragraph 1, includes all such items owned and used by the Seller in connection with said infant products division or the sale of its products. Seller agrees to transfer to Buyer title to all the items incorporated in Schedule A referred to in paragraph 1, free and clear of all encumbrances, liens and claims of any and every kind.

15. Patents. Seller agrees to obtain prior to the closing herein all necessary consents, assignments and other instruments of transfer in and to the patent licenses referred to in the next ensuing paragraph and all copyrights

and trade names owned or used by the Seller in form and substance satisfactory to the Buyer's attorney.

16. PATENTS. The following arrangement shall apply with respect to the Infant Division Patent Licenses:

(a) With respect to Patent No. 2,563,915, issued August 14, 1951, expiring August 14, 1968, assigned to Sears-Roebuck and Company, covering Round Net Playpen, Buyer is to receive a nonexclusive United States License for the remainder of the patent, and shall pay the royalty specified.

(b) With respect to patent applied for by E. E. Foster on spring swing mechanism, Buyer is to receive an exclusive United States License for the period of the patent from the Seller, who represents and warrants that it is the exclusive United States licensee, and Buyer is to pay the royalty specified in the attached memorandum marked Schedule B, attached hereto and made a part hereof.

(c) On Patent No, 2,790,978, issued May 7, 1957, expiring May 7, 1974, assigned to C. B. Whitlow, covering U-bolt construction, Buyer is to receive an exclusive United States license for the full period of the patent on a 3% of covered product sale price basis, plus an additional 2% of such sale price over-ride to be paid to the Seller for a period of five years from the date of the closing of this sale, and no longer.

(d) On Patent No. 2,990,190, issued June 27, 1961, expiring June 27, 1978, assigned to L. A. Erickson, covering Tag-A-Long, Buyer is to receive an exclusive United States license for the full period of the patent, on a basis of 3% of covered product sales price on the first 25,000 units sold in each calendar year, 2½% on the next such

25,000 units sold in each calendar year, and 2% on all over 50,000 such units sold in each calendar year, plus an additional 2% of such sale price override to be paid to the Seller for a period of five years from the date of the closing of this sale, and no longer.

(e) On Patent Application No. 124,668 dated July 16, 1961, issued July 25, 1964, to C. B. Whitlow, covering a mechanism for raising and lowering bed, Buyer is to receive an exclusive United States license for the full period of the patent on a basis of 3% of covered product sale price, plus an additional 2% of such sale price override to be paid to the Seller for a period of five years from the date of the closing of this sale, and no longer.

17. CONDITIONAL PAYMENT. In the event that in any fiscal year during the five year period, beginning with the closing date of this sale, an amount calculated as five per cent of the net income before taxes, of the new operating company shall exceed the total amount paid in said fiscal year to the Seller as excess royalties, on a basis of 2% of sales as more specifically set out in paragraph 16, sections (c), (d) and (e) of pararaph 16 above, then, in such event for such fiscal year the Buyer shall pay to Seller the amount of such excess.

18. BINDING EFFECT. The terms and conditions of this agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns.

[Copy missing]

this agreement in several counterparts, each of which shall hereafter be considered as an original, by their said officers or persons duly authorized to do so, on this 25th day of November, 1964.

This agreement is subject and conditional to the fact that in the opinion of the Buyer no diminution of good will and nothing contrary to continued sound operation shall have occurred from the date of Buyer's offer until the closing.

TIGRETT INDUSTRIES, INC.
by JOHN BURTON TIGRETT
Chairman of the Board
JOHN BURTON TIGRETT

Attest:

HEWITT TOMLIN JR.
Secretary

STANDARD INDUSTRIES, INC.
by (illegible)
Vice President

Attest:

(illegible)
Secretary

Letter of Transmittal

(Letterhead of)

WALDROP, HALL & TOMLIN
106 S. Liberty
Jackson, Tennessee

April 26, 1965

CERTIFIED—Return Receipt Requested

Mr. Karl J. Schumer, Secretary
Standard Industries, Inc.
120 Wall Street
New York, N. Y.

Mr. S. Leo Branca, Vice-president
Jackson Furniture Corporation
120 Wall Street
New York, N. Y.

Gentlemen:

Enclosed you will find a copy of Notice of Assignment, which notice is being sent you by The First National Bank of Jackson and the National Bank of Commerce, of Jackson, as Trustees, the said banks being assignees under an Agreement of Assignment dated April 26, 1965, executed by Tigrett Industries, Inc., as assignor.

The purpose of the notice is to call your attention to the assignment by Tigrett of certain rights acquired by it and a contract of purchase made with Standard Industries on November 25, 1964, which rights are more particularly spelled out and set forth in Sections C, D and E of Paragraph 16 and Paragraph 17 of said agreement and which rights are further spelled out in certain Assign-

ments of Patent Rights executed by Tigrett and Jackson Furniture Corporation on December 21, 1964.

Very truly yours,

WALDROP, HALL & TOMLIN
By

HPT:mkl

Enc.

cc: Mr. Joe Lawless
Jackson Furniture Corporation
600 Mobile Avenue
Jackson, Tennessee

bc: Mr. Simpson Russell, Chairman
National Bank of Commerce
Jackson, Tennessee

bc: Mr. W. E. Terry, Vice-chairman
The First National Bank
Jackson, Tennessee

Notice of Assignment

TO: JACKSON FURNITURE CORPORATION,
600 Mobile Ave.
Jackson, Tennessee

STANDARD INDUSTRIES, INC.
20 Wall Street
New York, New York

WHEREAS, by an Agreement dated April 26, 1965, Tigrett Industries, Inc. did assign to the First National Bank of Jackson and The National Bank of Commerce of Jackson, as Trustees for the benefit of certain creditors of Tigrett Industries, Inc. all funds and monies that are to be paid to it by Jackson Furniture Corporation, which obligation is also an obligation of Standard Industries, Inc., in accordance with the terms and provisions of a contract between Tigrett Industries, Inc. and Standard Industries Inc., dated November 24, 1964, said funds being due and payable in accordance with Section 16, subsections (c), (d) and (e) and also Section 17 of said contract, and also being due and payable to Tigrett Industries, Inc. in accordance with certain Assignments of Patent Rights, executed on December 22, 1964, by and between Tigrett Industries, Inc. and Jackson Furniture Corp., covering Patents Nos. 2,790,978, 2,990,190 and 3,162,865, the latter appearing in the Contract of Purchase as Patent Appl. No. 124,668;

NOW, THEREFORE, this is to serve as notice and notify the said Jackson Furniture Corporation and Standard Industries, Inc. that all of said monies that may be due as aforesaid have been assigned to the First National Bank of Jackson and The National Bank of Commerce as Trus-

tees, and until further notice are to be remitted when due to The First National Bank, Jackson, Tennessee.

This April 26, 1965.

THE FIRST NATIONAL BANK OF JACKSON
By W. E. TERRY
Vice Chairman and Trustee

THE NATIONAL BANK OF COMMERCE
By SIMPSON RUSSELL
Chairman

Assignment for the Benefit of Creditors Between Tigrett Industries, Inc. and Its Creditors

ASSIGNMENT

THIS AGREEMENT, made and entered into on this the 26th day of April, 1965, by and between Tigrett Industries, Inc., a Delaware Corporation, qualified to do business in the State of Tennessee, and with its principal place of business at Jackson, Tennessee, hereinafter designated as First Party, and the First National Bank of Jackson, Tennessee, and the National Bank of Commerce, of Jackson, Tennessee, hereinafter designated as Trustees, WITNESSETH:

WHEREAS, First Party has for several years been engaged in the manufacture and sale of toys and sporting goods and infant furniture, and in the course of its operations had become indebted to a number of creditors, and

at a time found itself in a position where it was unable to pay all of said obligations in cash in full; and,

WHEREAS, negotiations have been had with substantially all of its creditors as to the payment of its obligations, with substantially all of the creditors of the First Party, having indicated to the First Party their willingness to accept as payment in full all payments to be made in accordance with the provisions of a Composition Agreement, signed by said creditors, a copy of which is attached hereto as Exhibit 1; and,

WHEREAS, the First Party did by proper authorization by its Board of Directors and Stockholders, sell, in accordance with all State and local statutes, its Toy and Sporting Goods Division to Tennessee Industries, Inc., a Tennessee corporation, and did also sell its Infant Furniture Division to Jackson Furniture Corporation, also a Tennessee corporation, and in the sale of said divisions did acquire certain assets which by the terms of the agreement with creditors were contemplated to be turned over and delivered to the Trustees, to be used by them in the payment to the creditors of the First Party, then and there existing at the time of the sale of said divisions; and,

WHEREAS, there are certain known creditors of the First Party, to which certain specific amounts are now due and owing by the First Party, which creditors and the amounts due and owing to them are as set forth on the Schedule attached hereto, and marked Exhibit 2; and,

WHEREAS, the First Party has agreed to make this assignment and enter into the covenants hereinafter con-

tained, and all of said creditors executing the Composition Agreement have agreed with the First Party, and mutually each with the others, to accept the payment outlined therein in satisfaction of their debts.

NOW, THEREFORE, in pursuance of said agreement and in consideration of the premises, the First Party hereby conveys and assigns unto the Trustees, their successors and assigns, all of the following assets belonging to the First Party as of the date of this assignment, to-wit:

1. Accounts receivable. All of the accounts receivable presently shown on the books of the First Party as being due and owing to the First Party. In this connection, First Party agrees to furnish Trustees a list of said accounts as taken from its books and records, and as needed from time to time by the Trustees to furnish them with any substantiating records or other evidence of these accounts being due and owing First Party.

2. All cash on hand by the First Party, as is currently on deposit in accounts belonging to it, in The First National Bank, of Jackson.

3. The Two (2%) per cent over-ride royalty to be paid to First Party by Jackson Furniture Corporation, in connection with its purchase from First Party, of the Toy and Infant Furniture Division, on the selling price of certain items manufactured and sold by it and using certain patents, which were assigned and are sold to Jackson Furniture Corporation by First Party in connection with the sale of said division to it.

   The assignment of these Two (2%) per cent over-ride royalties applies to all royalties paid in ac-

cordance with the assignment of these patents and patent rights to the Jackson Furniture Corporation, which the said Jackson Furniture Corporation shall be obligated to pay unto First Party, from and after the 21st day of December, 1964, through and including the 31st day of December, 1967.

The Two (2%) per cent royalty over-ride to be paid by Jackson Furniture Corporation to First Party, and which is here being assigned to Trustees constitutes Two (2%) per cent of the net selling price of all units sold by Jackson Furniture Corporation, which shall embody the use of the inventions covered by the particular patents, hereinafter described. The term "net selling price" is defined in each of the Assignment instruments, executed by First Party to Jackson Furniture Corporation, which instruments are dated December 22, 1964, and are filed as Exhibits 3, 4 and 5 to this assignment.

The first patent, the assignment of which is affected by this royalty over-ride, is Patent No. 2,790,978, covering the U-bolt mechanism, which was assigned by the First Party, as owner, to Jackson Furniture Corporation, as aforesaid.

The second patent covered by this provision is Patent No. 2,990,190, covering a Tag-along invention, wherein the interest of the First Party and a License Agreement covering said patent was assigned by First Party to Jackson Furniture Corporation, as aforesaid.

The third patent affected by the Two (2%) per cent over-ride royalty is Patent No. 3,162,865, covering a mechanism for the raising and lowering of

a bed, which was sold by First Party to Jackson Furniture Corporation, as aforesaid.

The time and method of making of said payments of the over-ride royalties by the Jackson Furniture Corporation are as described in the specific instruments under which the First Party acquired its rights in and to said patents, said over-ride royalties being payable in the same manner and method as the basic royalties provided therein, said instruments under which First Party acquired its rights thereto being filed herewith as Exhibits 6, 7 and 8.

4. All of the additional royalties to be paid to First Party by Tennessee Industries, Inc., in respect to certain Patent Licenses sold and/or assigned to Tennessee Industries, Inc., in connection with the sale to it of the Toy and Sporting Goods Division of First Party, all of said patents and licenses, the amount of said royalties, the time and terms of payment as set forth more specifically under Paragraph XII of the document entitled "Contract of Purchase of Assets", entered into between First Party and Tennessee Industries, Inc., which is filed herewith as Exhibit 9 to this assignment.

This conveyance is made upon the following express conditions:

1. Upon trust, in the first place, to pay and retain thereof all costs, charges, and expenses of or incidental to the negotiations, preparation and execution of these presents, and of or to the carrying of the same into effect.

2. That the same is for the use and benefit of all of the creditors of First Party, as shown on said

Assignment for the Benefit of Creditors Between Tigrett Industries, Inc. and Its Creditors

Schedule attached hereto, and to pay, divide and distribute the residue of the moneys unto and among said creditors in discharge of their debts in semi-annual installments, as follows: July 1, 1965; January 1 and July 1, 1966; and January 1 and July 1, 1967; and with a final distribution payment to be made on January 1, 1968.

3. That all of the property hereby conveyed is for the security of the creditors named and described herein, and for the performance of the terms of this agreement.

4. The final distribution under this assignment shall be made as of January 1, 1968, and this assignment, and all obligations and duties imposed under it, shall terminate as of that date. Until said termination, either of said Trustees named herein may act alone and without concert with the other, upon said procedure being agreed upon by and between the Trustees.

IN WITNESS WHEREOF, the First Party has hereunto caused this agreement to be executed by its duly authorized officers, on the day and date first above written.

TIGRETT INDUSTRIES, INC.,
By JOHN BURTON TIGRETT
First Party

ATTEST:

HEWETT TOMLIN, JR.
Secretary

Assignment for the Benefit of Creditors Between Tigrett Industries, Inc. and Its Creditors

State of Tennessee:
County of Madison:

Personally appeared before me, George Bennett, a Notary Public, in and for the State and County aforesaid, John Burton Tigrett, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be Chairman of the Board of Tigrett Industries, Inc., the within named bargainor, a corporation, and that he as such Chairman of the Board, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Chairman of the Board.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal, at office, in said State and County, this the 26 day of April, 1965.

GEORGE BENNETT
Notary Public

My commission expires: Oct. 22, 1967

(Seal)

Assignment for the Benefit of Creditors Between Tigrett Industries, Inc. and Its Creditors

ACCEPTANCE OF ASSIGNMENT

State of Tennessee:
County of Madison:

W. E. Terry, being duly sworn, on his oath says he is the V. Chm & T. O. of The First National Bank of Jackson, Tennessee, named as one of the Assignees or Trustees in a certain indenture of assignment for the benefit of certain creditors, executed by Tigrett Industries, Inc., under date of the 26 day of April, 1965, that the said First National Bank of Jackson, Tennessee, hereby accepts the trust imposed upon it as one of such Assignees or Trustees, and it will faithfully discharge the duties of such trust to the best of its ability and in accordance with law.

THE FIRST NATIONAL BANK OF JACKSON,
By W. E. TERRY
Vice Chairman & Trust Officer

(Seal)

Subscribed and sworn to before
me, this the 26 day of April, 1965.

George Bennett
Notary Public
My commission expires: Oct. 22, 1967

Assignment for the Benefit of Creditors Between Tigrett Industries, Inc. and Its Creditors

State of Tennessee:
County of Madison:

Simpson Russell, being duly sworn, on his oath says that he is the Chairman of the National Bank of Commerce, of Jackson, Tennessee, named as one of the Assignees or Trustees in a certain indenture of assignment for the benefit of certain creditors, executed by Tigrett Industries, Inc., under date of the 26 day of April, 1965; that the said National Bank of Commerce, of Jackson, Tennessee, hereby accepts the trust imposed upon it as one of such Assignees or Trustees, and it will faithfully discharge the duties of such trust to the best of its ability and in accordance with law.

NATIONAL BANK OF COMMERCE
By SIMPSON RUSSELL
Chairman

(Seal)

Subscribed and sworn to before me,
this the 26 day of April, 1965.

George Bennett
Notary Public
My commission expires: Oct. 22, 1967

Assignment of Patent Rights by Tigrett Industries, Inc. of U. S. Letters Patent No. 3,162,865

AN ASSIGNMENT OF PATENT RIGHTS

WHEREAS, Tigrett Industries, Inc., of Jackson, Tennessee, is the owner of the entire right, title and interest in and to the following described United States Letters Patent:

Patentee	*Patent Number*	*Date*
Tigrett Industries, Inc.	3,162,865	December 29, 1964

Tigrett Industries, Inc., desires to convey the entire right, title and interest in and to this patent to Jackson Furniture Corporation, a Tennessee corporation, having its principal place of business in the County of Madison, City of Jackson, State of Tennessee, and whereas, the said Jackson Furniture Corporation desires to acquire this patent;

NOW, THEREFORE, for and in consideration of the sum of One ($1.00) Dollar, cash in hand paid, and other good and valuable considerations, the receipt of which is hereby acknowledged, Tigrett Industries, Inc. does hereby sell, assign, transfer and convey unto Jackson Furniture Corporation, its successors and assigns, the entire right and interest in and to the aforesaid Letters Patent, including any division, continuations, reissues and extensions of this patent, together with all rights of action and recovery for past infringements of this patent; and Tigrett Industries, Inc. does hereby covenant and warrant that as of the date hereof it is the true and lawful owner of the entire right, title and interest in the Letters Patent, and has full right and power to convey the same and that the same is free and clear of all liens, charges and encumbrances whatsoever.

And the Jackson Furniture Corporation, the purchaser, agrees to abide by all the obligations, terms, and condi-

Assignment of Patent Rights by Tigrett Industries, Inc. of U. S. Letters Patent No. 3,102,865

tions of the seller herein, Tigrett Industries, Inc., as more specifically set forth in an agreement dated July 19, 1961, between John Burton Tigrett, of Jackson, Tennessee, and Tigrett Industries, Inc. Furthermore, as the further consideration of the transfer and sale of this patent to Jackson Furniture Corporation; in addition to the percentage payment of the purchase price for said patent to be paid pursuant to the agreement aforesaid to the said John Burton Tigrett, an individual, Jackson Furniture Corporation agrees to pay to Tigrett Industries, Inc., for a period of five (5) years, after the 21st day of December, 1964, an additional two (2%) per cent of the net selling price of all units sold, which units shall embody the use of this patented invention. "The net selling price of all units sold" shall be the amount received by Jackson Furniture Corporation from the sale of such play pens, without any deduction for discounts, commissions or selling expense. Credit may be given for returned goods.

IN WITNESS WHEREOF, both the seller and the purchaser have hereunto caused this agreement to be executed by their said officers, on this the 22 day of December, 1964.

TIGRETT INDUSTRIES, INC.
By JOHN BURTON TIGRETT

ATTEST:

HEWETT TOMLIN, JR.
Secretary

JACKSON FURNITURE CORPORATION
By S. LEO BRANCA, V. P.

ATTEST:

PAUL J. (Illegible)

Assignment of Patent Rights by Tigrett Industries, Inc. of U. S. Letters Patent No. 3,162,865

State of Tennessee:
County of Madison:

Before me, Hewett Tomlin, Jr., a Notary Public in and for the State and County aforesaid, personally appeared John Burton Tigrett, with whom I am personally acquainted, and who upon oath, acknowledged himself to be Chairman of the Board of Tigrett Industries, Inc., the within named bargainor, a corporation, and that he as such Chairman of the Board being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Chairman.

In Witness Whereof, I have hereunto set my hand and official seal, at office, in said State and County, this the 22 day of December, 1964.

Hewett Tomlin, Jr.
Notary Public

My Commission Expires January 22, 1968

Assignment of Patent Rights by Tigrett Industries, Inc. of U. S. Letters Patent No. 3,162,865

State of Tennessee:
County of Madison:

Before me, Hewett Tomlin, Jr., a Notary Public in and for the State and County aforesaid, personally appeared S. Leo Branca, with whom I am personally acquainted, and who upon oath acknowledged himself to be Vice Pres. of Jackson Furniture Corporation, the within named bargainor, a corporation, and that he as such Vice Pres., being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Vice Pres.

In Witness Whereof, I have hereunto set my hand and official seal, at office, in said State and County, this the 22 day of December, 1964.

Hewett Tomlin, Jr.
Notary Public

My Commission Expires January 22, 1968

Addendum

I, C. B. Whitlow, hereby execute this document for the purpose of stating that I have no interest whatsoever in the above described patent, or in any royalty derived therefrom.

This 21 day of December, 1964.

C. B. Whitlow

Assignment of Patent Rights by Tigrett Industries, Inc. of U. S. Letters Patent No. 3,162,865

State of Tennessee:
County of Madison:

Personally appeared before me, Hewett Tomlin, Jr., a Notary Public in and for said State and County, duly commissioned, sworn, qualified and acting, the within named C. B. Whitlow, in the foregoing and attached instrument of writing, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

In Witness Whereof, I have hereunto set my hand and official seal, at office, in said State and County, this the 21 day of December, 1964.

Hewett Tomlin, Jr.
Notary Public

My Commission Expires January 22, 1968

File History of United States Letters Patent No. 3,162,865

Serial No. (Series of 1960) 124668

Assistant examiner Sherry

Division No. 8

Filed complete (Date) July 17, 1961

Serial No. 124 668

Applicant(s) Tigrett, John Burton of Jackson, Tenn.

Patent Number 3162865

Dated Dec 29 1964

Claims Foreign Priority None

Number claims allowed 2

Print claim(s) 1

Class 5

Subclass 3

Assignor to Tigrett Industries, Inc., Jackson, Tenn., a corp. of Delaware.

Title of invention Nursery Unit

Sh. drw. 2

Filing fee $30

Transaction 06898

Application None

Send correspondence to:

Ralph W. Kalish
1015 Chemical Bldg.
St. Louis 1, Mo.

Principal attorney(s) Ralph W. Kalish

File History of United States Letters Patent
No. 3,162,865

Prepared for Issue

F B Sherry (Assistant Examiner)
P. M. Alexander (Docket Clerk)

Examined and Passed for Issue

July 20 1964
F B Sherry (Primary Examiner)
461 (Division)

Notice of Allowance Mailed

July 24 1964

Final Fee

Date Nov 9 1964
Amount $30

File History of United States Letters Patent No. 3,162,865

(Letterhead of)

RALPH W. KALISH

ATTORNEY AT LAW
(Illegible) 721 Olive St.
St. Louis 1, Mo.

CHmeva 6-1334

July 13, 1961

Commissioner of Patents
Washington 25, D. C.

Sir:

Herewith we hand you specification and claims, drawings, oath, power of attorney and petition in the matter of application of John Burton Tigrett for a patent for a Nursery Unit.

Also enclosed is check to your order for $30.00 in payment of the Government filing fee.

Respectfully,

RALPH W. KALISH

RWK:ih
enc.

TO ALL WHOM IT MAY CONCERN:

Be it known that I, John Burton Tigrett, a resident of the City of Jackson, County of Madison, State of Tennessee, and a citizen of the United States, have invented a certain new and useful improvement in a Nursery Unit, of which the following is a specification, reference being made to the accompanying drawings forming a part thereof.

File History of United States Letters Patent
No. 3,162,863

This invention relates in general to infant equipment, and more particularly, to an article of nursery furniture.

It is an object of the present invention to provide a nursery unit adapted for multiple purpose usage, being so constructed for easy convertibility into a play pen, a baby bed, a dressing table, or a bassinet; and the operation of which does not require developed skill on the part of the user.

It is another object of the present invention to provide an article of nursery furniture having a simplicity of parts, and adapted for ready folding into either operative position of into a collapsed, compact unit for easy portability and storage in minimum space; the component parts being sturdy for long lasting, hard, effective usage; and which is sufficiently light in weight for convenient manipulation by the average housewife.

A still further object of the present invention is to provide an article of nursery furniture which is versatile in usage; which can be most economically produced; and which is reliable and safe for infants.

Other objects and details of the invention will be apparent from the following description, when read in connection with the accompanying drawings (two sheets) wherein:

Figure 1 is a perspective view of a nursery unit constructed in accordance with and embodying the present invention, with portions of the netting being broken away, and showing the unit in full downward position for use as a play pen.

Figure 2 is a vertical view taken on the line 2—2 of Figure 1.

File History of United States Letters Patent
No. 3,162,865

Figure 3 is a horizontal transverse sectional view taken on the line 3'-3 of Figure 1.

Figure 4 is a bottom plan view.

Figure 5 is a side view showing the unit in upper position for utilization as an infant dressing table.

Referring now by reference characters to the drawings which illustrate the preferred embodiment of the present invention, A generally designates an article of infant furniture herein for sake of brevity referred to as a nursery unit, adapted for multiple purpose usage, comprising an upper, generally rectangular rim or frame 1 having side portions 2, 2' and parallel and sections 3, 3' and being fabricated preferably of light weight, tubular stock. Affixed to said upper rim 1 adjacent each corner portion thereof is a depending, short, mounting bracket 4 to each of which is pivotally engaged the upper end of a leg 5. Said legs 5 are of two part construction comprising an upper tubular section 6 and a lower tubular section 7, the latter being of relatively reduced diameter for reception within the associated upper section 6 in telescoping relationship thereto. Carried at the lower end of each lower section 7 is a caster 8 for ease of maneuverability of nursery unit A. Upper leg section 6 is provided, substantially throughout its lengths, with a plurality of vertically spaced openings 9 for selective extension therethrough of an adjustment, button-like member 10 resiliently mounted on a leaf spring 11 secured within the related lower section 7 adjacent the upper end thereof for urging adjustment member 10 outwardly for the reliable inter-

against an by one's finger, within the circular enlarged opening 9 in the respective upper leg section 6, lower section 7 may be then limitedly rotated and thereon axially moved with respect to the associated upper section 6 until the selected relationship is effected. Thereon, the said lower section is returnwardly rotated to permit adjustment member 10 to spring outwardly through the adjacent opening 9a and hence thereby lock said sections together. Thus legs 5 may be of any chosen length and hence dependent upon the convenience and comfort of the operator.

Sections 6 of transversely aligned legs 5 are interengaged by a cross bar 8 (see Figure 3), whereby each such pair of interconnected legs may be mutually swung about the pivot at the upper ends of said legs between operative or vertical position of legs as in Figure 1 and folded or inoperative position (not shown), wherein said unitary unit 8 is collapsed into a compact form conducive to ease of transportability and to storage in minimum space.

Suspended from upper cross 8, throughout its entire length, is netting or mesh 12, as of nylon fabric or the like, and having an inherent resiliency, which is formed into general tubular or cylindrical shape with its lower end normally biased inwardly toward axis of said cylinder (see Figure 4). Central weight and cylindrical netting 12 lie in positions substantially perpendicularly to the axis of said netting (Figure 1). Said lower edge 12 normally rests substantially upon the ground surface, and thereby prevents the escape of the fish and the like, and hence a fisherman desirably may conveniently, to that end, grasp upper cross 8 and lift substantially the entire

File Wrapper of United States Letters Patent
No. 3,162,865

...ges of said netting 12 are connected by an ...ed flexible member or drawstring, such as, of a ... of string, rope or the like, as indicated at 15, which ... through openings in said netting and with its ... ends passing upwardly through spaced openings ... plate 14. The upwardly projecting free ends ... drawstring 15 are secured together to provide a ... grip for pulling the lower end portion of net ... together, to take up any slack that may have ... during any converting operation so that the ... will be taut during usage.

... is also provided centrally of base plate 14 a ... member 16, as of rope, to facilitate manipulation ... plate 14 as may be required during adjustment of ...

... plate 17 is removably supported upon a rectangular ... frame or rim member 18, of similar shape and size ... the latter disposed in planar parallel relation ... and being formed preferably of suitable ... Lower frame 18 is freely received upon ... a pair of legs 19 and adjacent each leg 19 ... a bolt 20 which extends laterally outwardly, each ... bolt 20 corresponding relative to the proximate leg ... and partially upwardly mounts a bolt nut ... adapted for engagement within an opening 21 of the ... leg 19 and proximate leg 19, which is ... frame 18 may be supported by said legs 19 ... adjusted upwardly to the top end 22 ...

distinct entities. Thus, as shown in Figure 1, with base plate 14 in full downward position unit A is accorded the character of a play pen, with the distance between said plate 14 and top rim being sufficiently great to provide safety for an infant playing therein. In this condition netting 12 is fully extended and presents a yieldable, reliable side guard for an infant. It will be seen that hooks 20 are in disengaged relation as lower frame 18 is in supported position on cross bars *b*.

If it is desired to utilize unit A for an infant dressing table, such as shown in Figure 3, the user lifts upwardly on one end of lower frame 18 to present same for reception of the hooks 20 at such end in the uppermost opening 9 in the adjacent leg sections 6, and then similarly raises the other end and engages the related hooks 20, whereby base plate 14 will be disposed in horizontal position. In this condition there would, expectedly, be a considerable amount of slack in netting 12, and to correct such, the user need only pull upwardly on drawstring 16 until the portions of netting between top and lower frames 1, 18, respectively, is substantially taut, as such operation pulls the lower edge of netting 12 together and thus contracts netting 12 for accommodating the particular condition of usage of unit A.

In similar fashion base plate 14 may be located at a point between the positions shown in Figures 1 and 4, in order to adapt unit A for service as a baby bed and as a bassinet. The converting operation in each such case is in all respects similar to that above described in connection with the dressing table construction, but with hooks 20 being received in openings 9 between the uppermost and

plate 14 e presented by unit A so that a similar article of furniture may now provide facilities heretofore obtained only by use of a plurality of such articles.

It is apparent that unit A may be easily collapsed into a compact unit for ready transportability or storage in limited space with operation merely requiring the telescoping of the lower leg sections 7 within their associated upper sections, with lower frame 18 together with base 14 being lifted upwardly into immediate contactive relationship with top frame 1 and then merely folding the two pair of legs toward each other into nestled relationship.

As shown hereinabove, lower frame member 18 will be supported upon cross bars *b* only when unit A is being used as a play pen and in this condition hooks 20 will be in disengaged relation. However, as the bottom plate 14 is adjusted upwardly for other uses than as a play pen as described, the said lower frame 18 will be supported directly from legs 3 by means of the interengagement of hooks 20 within the related openings 9.

It is of course obvious that the base plate 14 is designed to receive a mattress or other type pad for infant comfort.

In view of the foregoing it is obvious that the present invention is an extremely versatile device being capable of conversion for various infant usages and with such conversion being accomplished by the average housewife without the exercise of developed skill. Furthermore, the device unit A is most maneuverable and is endowed with a capacity for quiet, rendering it sturdy and stable in use and amenable to economical production.

tion of the several parts of the nursery unit may be made and substituted for those herein shown and described without departing from the nature and principle of my invention.

Having thus described my invention, what I claim and desire to secure by Letters Patent is:

[Claims 1 to 7 inclusive deleted (in original)]

[Amendment A printed hereinafter]

STATE OF TENNESSEE, COUNTY OF MADISON, ss:

Before me, a Notary Public in and for the State and County aforesaid, personally appeared John Burton Tigrett, to me known, who, being duly sworn, deposes and says that he is a citizen of the United States residing at the City of Jackson, County of Madison, State of Tennessee; that he has read the foregoing specification and claims and that he verily believes that he is the original first and sole inventor of the invention or discovery in a Nursery Unit, described and claimed therein; that he does not know and does not believe that this invention was ever known or used before my invention or discovery thereof, or patented or described in any printed publication in any country before my invention or discovery thereof, or more than one year prior to this application, or in public use or on sale in the United States for more than one year prior to this application; that this invention or discovery has not been patented in any country foreign to the United States on an application filed by me or my legal representatives or assigns more than twelve months before this application; that he is not acquainted with the facts stated in the foregoing affidavit except from information received by him; and that he believes the statements made in this affidavit to be true.

Subscribed and sworn to before me this 14th day of November, 1938.

(SEAL)

Notary Public

My commission expires: 3-15-1939

POWER OF ATTORNEY AND PETITION

Being duly sworn, I, John Burton Tigrett, depose and say that I am a citizen of the United States residing at the City of Jackson, County of Madison, State of Tennessee; that I have read the foregoing specification and claims and I verily believe I am the original first and sole inventor of the invention or discovery in a Nursery Unit, described and claimed therein; that I do not know and do not believe that this invention was ever known or used before my invention or discovery thereof, or patented or described in any printed publication in any country before my invention or discovery thereof, or more than one year prior to this application, or in public use or on sale in the United States for more than one year prior to this application; that this invention or discovery has not been patented in any country foreign to the United States on an application filed by me or my legal representatives or assigns more than twelve months before this application; that he is not acquainted with the facts stated in the foregoing affidavit except from information received by him; and that he believes the statements made in this affidavit to be true.

File History of United States Letters Patent No. 3,162,865

And I hereby appoint Ralph W. Kalish, 1015 Chemical Building, 721 Olive Street, St. Louis 1, Missouri, Registration No. 16,210, my attorney or agent with full power of substitution and revocation, to prosecute this application and to transact all business in the Patent Office connected therewith.

Wherefore, I pray that Letters Patent can granted to me for the invention or discovery described and claimed in the foregoing specification and claims, and I hereby subscribe my name to the foregoing specification and claims, oath, power of attorney, and this petition, this 10 day of July, 1961.

Jonas Burgos Tigrett
Tigrett Place
Jackson, Tennessee

File History of United States Letters Patent
No. 3,162,865

State of Tennessee
County of Madison—ss.:

Before me personally appeared John Burton Tigrett, to me known to be the person described in the above application for patent, who signed the foregoing instrument in my presence, and made oath before me to the allegations set forth therein as being under oath, on the day and year aforesaid

Edward A. Arrowwrite
Notary Public

My commission expires June 28, 1964

3,162,865

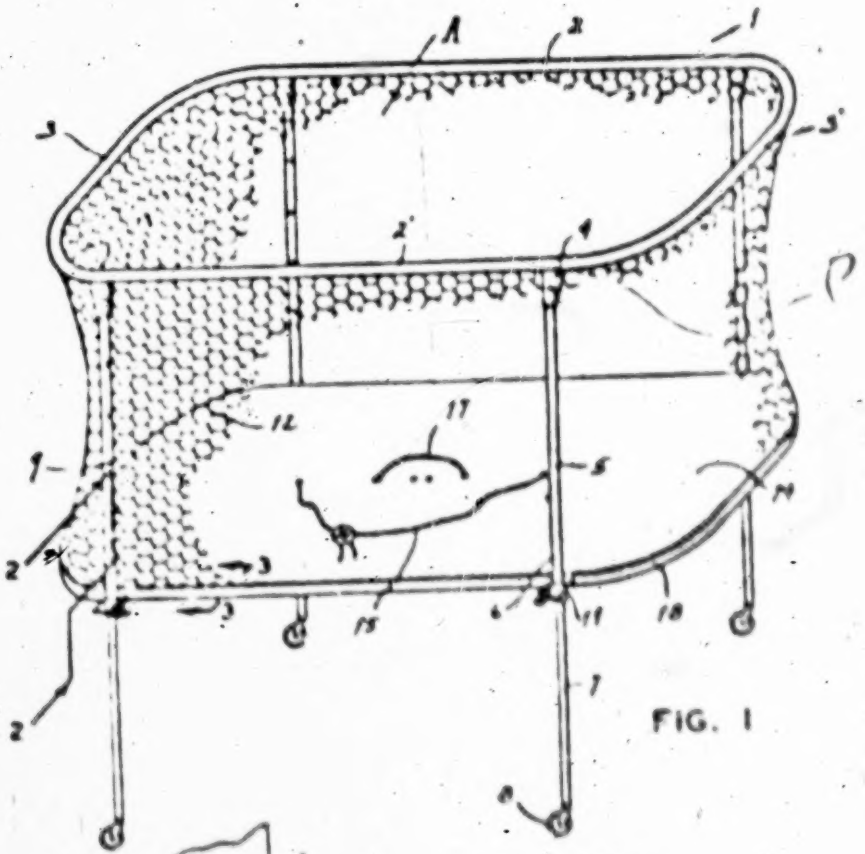


FIG. 1

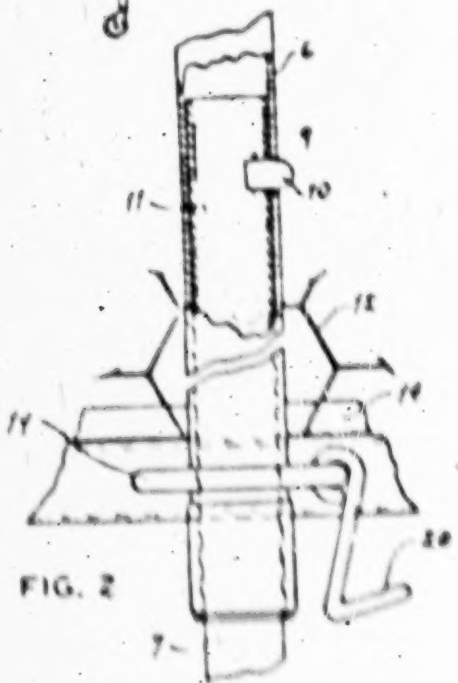


FIG. 2

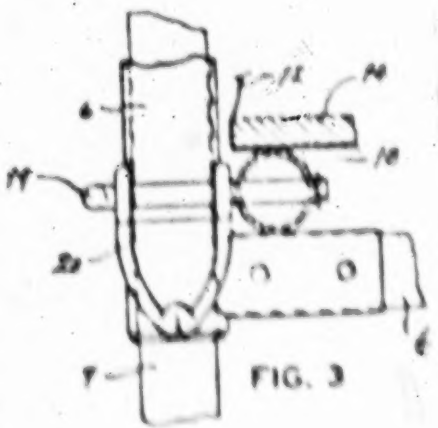


FIG. 3

INVENTOR
JOHN BURTON THURETT
BY
ATTORNEY

File History of United States Letters Patent No. 3,162,865

Claims 1-3 are rejected as readable on the patent to Adamson, cited. Adamson discloses applicant's broad combination including upper and lower frames 10, 21, U members 22, cylindrical shaped netting 18 and a draw string 34.

Claim 4 is rejected as unpatentable over the patent to Adamson in view of the patent to May et al., cited. To provide holes in Adamson's floor member 27 so that his draw string 32 could be threaded therethru to thereby be more easily actuated would be an obvious extension of the teaching of May et al. (strings 21).

Claims 5 and 7 are rejected as unpatentable over the patent to Adamson in view of the patent to Wittbrodt, cited. To make the legs 15 of Adamson from two telescoping sections would be obvious in view of the telescoping legs 12, 13 of Wittbrodt.

Claim 6 is rejected as unpatentable over the patent to Adamson in view of the patents to Wittbrodt and Hamilton, cited. To make the legs 15 of Adamson telescoping would be obvious in view of the teaching of Wittbrodt. To additionally utilize the spring 21 of Hamilton to lock the telescoping legs at various positions would be well within the skill of a mechanic. Hamilton also discloses the old the use of a crossbar element 18A to connect two pivoting legs.

Claims 8-10 are rejected.

Evans H. Sweeney
Examiner

EHS
EHSorley:cjh

90

File Wrapper of United States Letters Patent
No. 3,162,866

IN THE

UNITED STATES PATENT OFFICE

PATENT DIVISION

Application of
John Burton Tuttle
Serial No. 124,668
Filed July 17, 1961

Nursery Tool

The Commissioner of Patents
Washington 25, D. C.

In the matter of subject application, would you please
alter the record thereof so as to reveal applicant's attor-
ney's address as 1901 Chemical Building, St. Louis 1,
Missouri, rather than 101 Chemical Building, St. Louis 1,
Missouri.

Respectfully,

Raven W. Ravenn
Attorney for Applicant

St. Louis, Missouri

October 20, 1961

File History of United States Letters Patent
No. 3,162,865

IN THE

UNITED STATES PATENT OFFICE

PATENT DIVISION 8

Application of
John Burton Tigrett
Serial No. 124,008
Filed July 17, 1961

Nursery Unit

AMENDMENT A

The Commissioner of Patents
Washington 25, D. C.

Sir:

Responsive to the official communication of May 3, 1962, please amend the above-identified application as follows:

Cancel claims 1 to 7 inclusive without prejudice.

Please add the following

for convenient manipulation for said netting to elevate said base plate, a bottom frame member in planar parallel relation to said top frame member and disposed below said base plate for support thereof, legs engaged at their upper ends to said top frame member and extending downwardly therefrom, and means for detachably engaging said bottom frame member to said legs.

9. An article of infant furniture as defined in claim 8 and further characterized by said legs being pivotally engaged at their upper ends to said top frame member for swingable movement between vertical or operative position and horizontal or collapsed position, and said means detachably engaging said bottom frame member to said legs comprising a plurality of leg-surrounding elements fixed to said bottom frame member and extending outwardly therefrom, each leg having a plurality of vertically spaced apart openings, and a hook forming member swingably mounted upon each leg-surrounding member for selected engagement within an opening in the proximate leg.

[Claim 10 deleted—see Amendment B hereinafter]

REMARKS

Claims 1 to 7 have been cancelled without prejudice and in lieu thereof, there have been submitted claims 8, 9 and 10 which seek to define in more definite fashion the especial advance made in the art by applicant. Thus, claim 8 differs from the preceding claims and references of record in defining an article of infant furniture comprising a top frame member, a base plate, a flexible netting having a general tubular form, a bottom frame member and with said flexible netting extending beneath the base plate with drawstrings engaged at the lower end of said netting and

extending through openings in the base plate for mutual securement to allow for convenient manipulation of the base plate. Claim 9, which is dependent upon claim 8, differs in defining the legs as being pivotally engaged at their upper ends to the top frame member and in reciting the structure which permits of the engagement of the bottom frame member to the legs in preselected position. Claim 10, which is dependent upon claim 9, differs in defining each of the legs as having an upper tubular section and a lower section telescopically received therein with means permitting of selected relative extent thereof. Careful consideration of the references of record fail to reveal any answering structure and accordingly favorable consideration of claims 8, 9 and 10 is respectfully urged.

Respectfully submitted,

RALPH W. KALISH
Attorney for Applicant

St. Louis, Mo.

October 29, 1962

File History of United States Letters Patent
No. 3,162,865

(Letterhead of)

U. S. DEPARTMENT OF COMMERCE
PATENT OFFICE
Washington

Ralph W. Kalish
1604 Chemical Bldg.
St. Louis 1, Missouri

Paper No. 10

Applicant: John Burton Tigrett
Ser. No. 124,668
Filed July 17, 1961
For Nursery Unit
Mailed Nov 23 1961
Pat Div 8

Please find below a communication from the Examiner in charge of this application.

Commissioner of Patents.

Responsive to amendment filed November 1, 1962.

Additional reference applied:

Wolkerstorfer	947,140	Jan. 18, 1910	211/136

Additional reference of interest:

Nowels	2,930,053	Mar. 29, 1960	5/320

Claim 8 is rejected as unpatentable over the patent to Adamson, of record, in view of the patent to May et al, of record. To provide holes in Adamson's floor member

27 so that the drawstring 32 would be easily accessible would be an obvious extension of the teaching of May et al.

Claims 9 and 10 are rejected as unpatentable over the patent to Adamson in view of the patents to May et al, Hamilton, of record, and Wolkerstorfer, newly cited. To further modify the device of claim 8 by pivotally mounting the legs 13 of Adamson to thereby provide greater collapsibility for the device would be obvious in view of the pivoted legs 14 of Hamilton. To additionally substitute for the spring urged pin 26 of Adamson, the pivoted hook 19 of Wolkerstorfer would be only the substitution of equivalents. In regard to claim 10, the patent to Hamilton also illustrates as old telescoping leg sections and a spring urged lock therefor (see Fig. 10).

Attention is directed to the patent to Nowels, cited. Nowels discloses as old the provision of a center hole through which tightening strings are extended to thereby provide easy accessibility.

Claims 1-7 have been cancelled.

Claims 8-10 are rejected.

FRANK B. SHERRY
Acting Examiner

KBJ
R. B. Farley:lmb

File History of United States Letters Patent
No. 3,162,865

Paper No. 7

IN THE

UNITED STATES PATENT OFFICE

PATENT DIVISION 8

Application of
John Burton Tigrett
Serial No. 124,668
Filed July 17, 1961

Nursery Unit

AMENDMENT B

The Commissioner of Patents
Washington 25, D. C.

Sir:

Responsive to the official communication of November 23, 1962, please amend the above-entitled application as follows:

Claim 8, line 8, after "netting" insert—beneath said base plate—; line 9, after "threaded" insert—upwardly—; line 10, after "engaged" insert—above said base plate—; line 12, after "plate" insert—by upward pulling on said handle—.

Claim 9 is submitted for reconsideration for reasons to be discussed hereinbelow.

Cancel claim 10.

REMARKS

Claim 8 has been amended to recite that the drawstrings are engaged to the lower end of the netting below the base plate and that said drawstrings are threaded upwardly through the openings for mutual engagement above the base plate and that the same by pulling upwardly thereon

will effect elevation of the base plate. It is submitted that said claim, as now amended, clearly defines patentable subject matter over the references of record. The Examiner will recognize that applicant's clever and ingenious use of the drawstrings provides a readily accessible expedient for elevating and lowering the base plate. Such means do not necessitate the users having to work beneath the base plate as would be required in the Adamson construction. Thus, one would have to operate the drawstrings of Adamson from beneath the base plate rather than from above same, and it is very obvious that such could only be highly inconvenient and cause one to be resistant to vertically adjusting the base plate. The May, et al reference is not pertinent, since the same merely shows the tying together of the cords 19. The mutually engaged ends of such cords are not adapted to provide a handle for effecting any operative movement of any part, or parts, of the cradle. The cords of May, et al are merely means for supporting the fabric member 18 and to allow of its removal for cleaning purposes. Thus, neither the references cited, whether considered singly or in combination, suggest the unusual construction defined in claim 8. Accordingly, favorable consideration of claim 8 as now amended is respectfully solicited.

Claim 9 has been submitted for reconsideration in view of the fact that the same is dependent upon claim 8. For the reasons hereinabove stated, it is believed that claim 8 is definitely allowable and that allowance of claim 9 should follow therefrom.

Accordingly, favorable reconsideration of claim 9 is requested.

Respectfully submitted,

RALPH W. KALISH

St. Louis, Missouri

May 7, 1963

File History of United States Letters Patent
No. 3,162,865

Paper No. 8

(Letterhead of)

U. S. DEPARTMENT OF COMMERCE
PATENT OFFICE
Washington

Ralph W. Kalish
1604 Chemical Bldg.
St. Louis 1, Missouri

In Reply Please Refer To:

Applicant: John Burton Tigrett

Ser. No. 124,668

Filed July 17, 1961

For Nursery Unit

Mailed Dec 12 1963

Group 480

Please find below a communication from the Examiner in charge of this application.

Commissioner of Patents.

This is responsive to the amendment filed May 10, 1963.

Additional consideration of applicant's device makes it evident that the construction and operation of the device are not clearly disclosed. In Figures 4 and 5 there is shown what appears to be a rectangular plate-like member attached upon the upper side of members "b", but no reference is made thereto in the specification. It is not

clear how the legs 5 could be folded together with this member present. Clarification is required.

Page 5, line 18, "11" should be *b;* line 26, "4" should be *14.*

Page 6, line 10, "in" should be *on.*

Claim 8, lines 11 and 12, "handle" should be *grip* in each instance.

Claims 8 and 9 are rejected as drawn to subject matter not sufficiently disclosed for the reasons above indicated.

Claims 8 and 9 are further rejected as vague and indefinite and drawn to subject matter not clearly disclosed in reciting the "means" for detachably engaging said legs". No such "detachment" is disclosed since the U-bolts at all times enclose the legs. Hooks 20, perhaps, are intended as detachably engaging the legs.

Since no new references have been applied, the above rejections are now made final.

Claims 1-7 and 10 have been cancelled.

This is a Final Rejection.

F B SHERRY
Examiner

FBSherry/lm

File History of United States Letters Patent
No. 3,162,865

IN THE UNITED STATES PATENT OFFICE

PATENT DIVISION 8

Application of
John Burton Tigrett
Serial No. 124,668

Filed July 17, 1961

Nursery Unit

AMENDMENT C

The Commissioner of Patents

Washington 25, D. C.

Sir:

Responsive to the official communication of December 12, 1963 and pursuant to the provisions of Rule 116 of the Patent Office Rules of Practice, Applicant requests that the above-entitled application be amended as follows for placing same in condition for allowance:

In the specification, Page 5; Line 18, change "11" to —*b*—; same page, Line 26, change "4" to —14—; Page 6; Line 10, change "in" to —on—.

Claim 8, Lines 11 and 12, change "handle" to —grip—; Line 16, erase "detachably".

REMARKS

Examiner's remarks relative to the seeming rectangular plate-like member shown in Figure 4 are indeed very well justified. Candidly Applicant had overlooked this

aspect of the matter, for it relates entirely to the provision of an auxiliary shelf which a user may use, should she so desire. In order to clarify this matter, Applicant is enclosing herewith a specimen of its advertising brochure concerning the device in question, and Examiner will note on the inside right-hand page drawings with respect to this particular shelf member which is shown in Figures 4 and 5. Thus, Examiner will appreciate that the shelf is entirely of an auxiliary character and is not necessarily a part of the invention.

Applicant is prepared to either amend the specification so as to describe this shelf which may be detachably engaged to the cross bars *b* (and with disengagement being effected prior to folding of the unit), or the shelf may be entirely removed from the drawings, particularly Figures 4 and 5. It is felt that either course will clarify the seeming indefiniteness of the disclosure and thereby permit the application to provide a proper basis for claims 8 and 9.

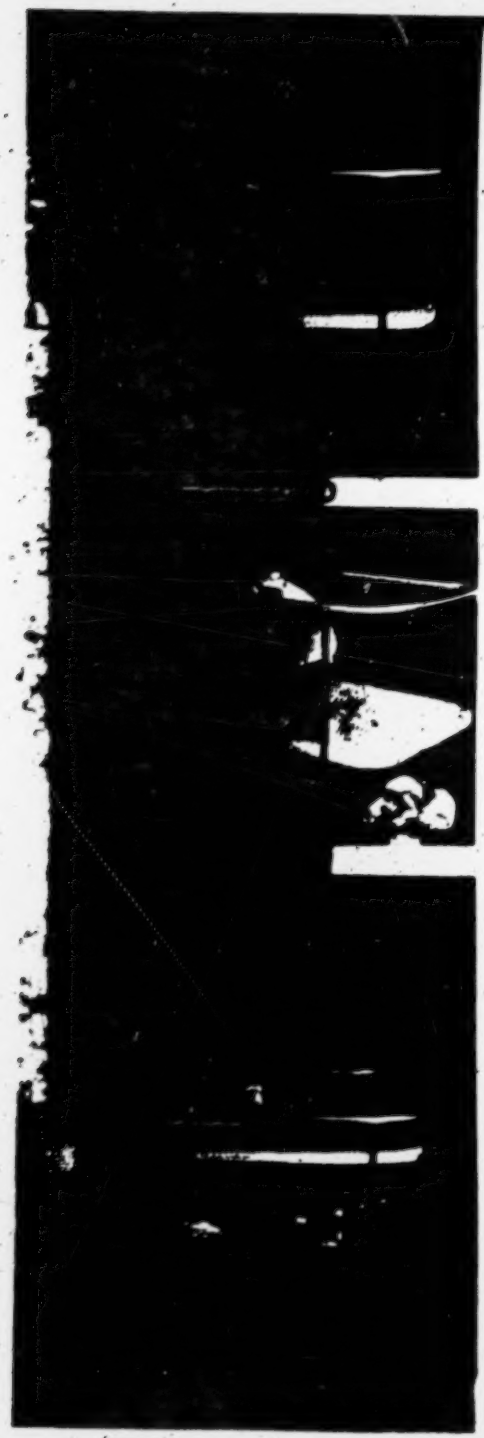
In order to expedite the disposition of this case, Applicant urges Examiner to call Applicant's counsel long distance, collect, at St. Louis, Missouri, Area Code 314, Telephone GE 6-1331, at Examiner's earliest convenience. It is felt that a telephone conference will determine the desirable course for clarifying what is indeed an inadvertent error.

Respectfully submitted,

RALPH W. KALISH

St. Louis, Missouri

May 8, 1964



GOLDEN Convertible

The most ... piece of Infant Furniture ever offered. It's actually

Converts from one Service Unit to another in seconds—*and with NO EXTRAS TO BUY!*

THE GOLDEN CONVERTIBLE

Has all the wonderful features of the Original Net PLAY-A-ROUND plus new, modern space saving design that utilizes every inch of floor space—rolls through doors—and provides a safe, comfortable sleeping or play area throughout the infant period. The simplicity of modern, useful design, is combined with the charm and beauty of Antique Gold to give you complete baby care in one unit while enhancing the decor of any room.

TOPS
FOR
TOTS
FROM

Thayer Inc.

GARDNER MASSACHUSETTS

GOLDEN Convertible

Application of John Burton Tigrett

Serial No. 24,655

Filed July 17, 1961

4 UNITS IN ONE

Complete Baby Care from Birth to ...

1082-1

Play Pen

Dressing Table

Bassinet

Baby Bed

30

Complete Baby Care

4 UNITS *in One!*

PEN • DRESSING TABLE
BASSINET • BABY BED

- All Steel Framework
- Tough Nylon Safety Net
- Roll-A-Bout Casters

GOLDEN *Convertible*

- EXTRA THICK, WET PROOF MATTRESS
- SETS UP OR FOLDS IN SECONDS
- TELESCOPING LEGS AND POSITIVE ROTARY LATCHES
- HEAVY DUTY MASONITE [illegible] AND SHELF

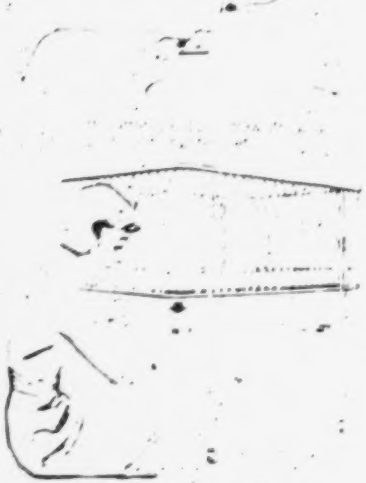
108-2 KKK

TO ASSEMBLE PLAY PEN

CONVERT TO BABY BED

Press Spring [illegible] Spring [illegible] slightly and [illegible] button engages [illegible] Repeat until all four [illegible]

CONVERT TO BASSINET

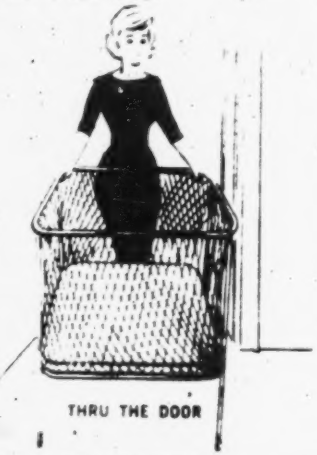


CONVERT TO - DRESSING TABLE

Described Steps

TO FOLD

B. Remove shelf, loosen net and return unit to its play pen position. Remove mattress and pull bottom straight up with hand cord. Fold legs and unit is ready for easy storage.



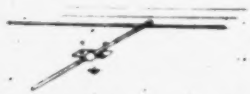
THRU THE DOOR

THE GOLDEN CONVERTIBLE was especially designed for easy maneuverability. It will roll from room to room thru any standard door.

Both the Top Poly Rim and the Nylon Net are washable. You can clean the rim by simply wiping with a damp cloth.

TO CLEAN NET.

A. Remove Poly Rim and lacing hold- [illegible] over top metal rim.



B. Remove two screws in masonite [illegible] untie draw string and remove stop. pull thru bottom. remove bottom and net will remove easily. Tie ends of draw string temporarily while washing. Wash in basin or automatic washer at lukewarm temperature.

File History of United States Letters Patent
No. 3,162,865

IN THE UNITED STATES PATENT OFFICE

PATENT DIVISION 8

Application of
John Burton Tigrett
Serial No. 124,668
Filed July 17, 1961

Nursery Unit

AMENDMENT D

The Commissioner of Patents
Washington 25, D. C.

Sir:

Responsive to the telephone communication with Examiner on Thursday, May 28, 1964, which call applicant deeply appreciated, please amend the above entitled application for the purpose of clarifying the disclosure:

In the Specification: Page 7, after the last line insert as a paragraph:- - - As may best be seen in Figures 4 and 5 an auxiliary shelf, indicated 25, may be provided for supported disposition upon cross bars *b*. When unit A is used as a dressing table or as a baby bed, in which positions base plate 14 is located spacedly upwardly of said cross bars *b*, said shelf 25 will be available for usage but with unit A in playpen position base plate 14 may be disposed upon said shelf 25 or the latter may be first removed. Said auxiliary shelf 25 may be of rectangular character and secured upon cross bars *b* in any suitable, stable fashion such as, for instance, by means of screws 26. The said shelf 25 will necessarily be disengaged prior to

folding of unit A into collapsed condition. Said shelf 25 thus provides a surface for holding the various articles necessary for proper baby care and attention. - - -

REMARKS

In accordance with Examiner's helpful suggestion, the Specification has been amended to describe the auxiliary shelf.

Simultaneously herewith applicant is forwarding to the Patent Office a letter to the official Draftsman, requesting that the drawings be amended in accordance with the enclosed photostat for showing the reference numerals necessarily added.

It is therefore submitted that the above entitled application is now in proper condition for allowance which is requested at Examiner's earliest convenience.

Respectfully submitted,

RALPH W. KALISH

St. Louis, Missouri

May 29, 1964

File History of United States Letters Patent
No. 3,162,865

IN THE UNITED STATES PATENT OFFICE

PATENT DIVISION 8

Application of
John Burton Tigrett

Serial No. 124,668

Filed July 17, 1961

Nursery Unit

LETTER TO OFFICIAL DRAFTSMAN

The Commissioner of Patents

Washington 25, D. C.

Sir:

Please correct the drawings in the above-entitled application in accordance with the photostat enclosed herewith. Please charge the cost of such correction to my deposit account, No. 11-160.

Respectfully submitted,

RALPH W. KALISH
Attorney for Applicant

May 29, 1964

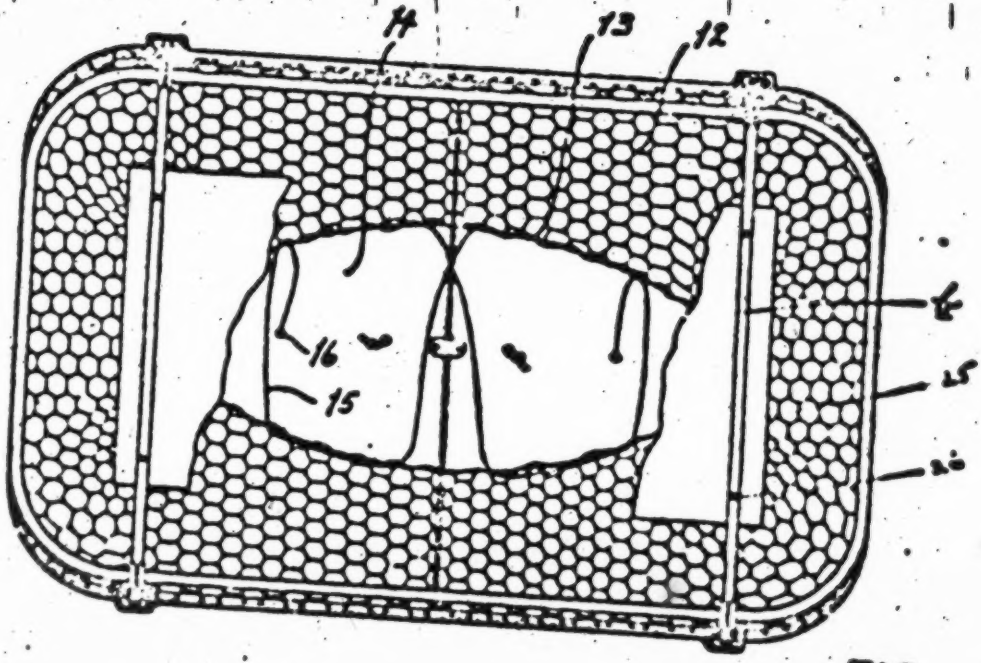


FIG. 4

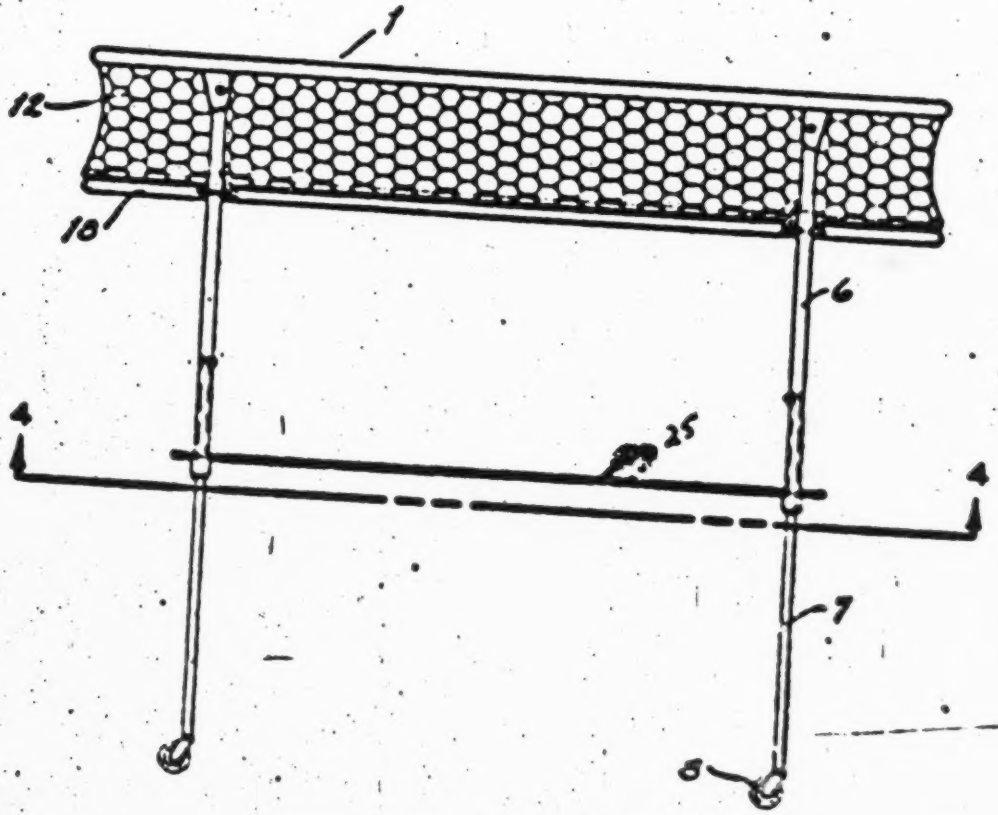


FIG. 5

File History of United States Letters Patent No. 3,162,865

Paper No.: 12

Serial No.: 124,668

REFERENCES CITED

The following references are of record in the patented file of this patent:

United States Patents

Name	*Number*	*Date*
Wolkerstorfer	947,140	Jan. 18, 1910
Nelson	1,336,480	April 13, 1920
Mars et al	2,562,053	July 24, 1951
Adamson	2,873,458	Feb. 17, 1959
May et al	2,966,744	Dec. 15, 1959
Werner	2,922,169	Jan. 26, 1960
Nowels	2,930,053	Mar. 29, 1960
Mango	2,974,325	Mar. 14, 1961
Hamilton	2,991,486	Jan. 30, 1962
Wistbrodt	3,018,493	July 11, 1961

File History of United States Letters Patent
No. 3,162,865

(Letterhead of)

U. S. DEPARTMENT OF COMMERCE

Patent Office

Washington

NOTICE OF ALLOWANCE

The application for patent identified below has been examined and found allowable for issuance of Letters Patent.

Filing Date 07/17/61

Serial No. 124668

No. of Claims Allowed 2

Examiner F. B. Sherry Group 46

Applicant Tigrett, John Burton, Jackson, Tenn.

Assignee Tigrett Industries, Inc.

Mailed July 24, 1964

Title of Invention Nursery unit

Class Bus 005/003

With the allowance of the application the final fee becomes due. This fee is thirty dollars ($30) plus one dollar ($1) for each claim allowed in excess of twenty (20) and must be paid within 6 months from the date of this notice. Failure to remit the final fee will result in the patent being withheld from issue.

As a convenience in remitting this fee, use of the enclosed Form POL-85a is suggested. The final fee will not be

received from anyone other than the applicant, his assignee or attorney, or a party in interest as shown by the records of the Patent Office. If no entry appears in the space labeled "assignee," above, a form is enclosed relating to the address of the inventor(s) which requires your attention.

If it is desired to have the patent issued to an assignee or assignees, an assignment, together with the fee for recording the same, must be filed in this Office on or before the date of payment of the final fee.

The patent will be issued and forwarded within approximately two months after receipt of the final fee.

By direction of the Commissioner.

Ralph W. Kalish
1604 Chemical Bldg.
St. Louis 1, Mo.

U. S. Department of Commerce
Patent Office

FINAL FEE TRANSMITTAL

This [illegible] for convenience in transmitting final fees to the Patent Office. When properly completed it may be used in lieu of a formal letter. Requirements will more and fill in every numbered item 1 thru 6 below. The Final Fee Receipt, [illegible] will be mailed to the address appearing in box at lower left of this form. If returned, see the reverse side of your Notice of [illegible] when completing this form.

1. The COMMISSIONER OF PATENTS is requested to apply the accompanying fee to the case identified below, and deliver the patent as directed.

November 6, 1964
Date

Roger W. Jones
Attorney, Agent or Applicant

NOTE—Final fees will not be received from other than the applicant, his assignee, or attorney, or a party in interest as shown by the records of the Patent Office. Final fees will not be applied to pending applications.

	FILING DATE	SERIAL NO.	NO. OF CLAIMS ALLOWED	EXAMINER	GROUP
	07/17/61	124668	21	F. B. Shatty	46
APPLICANT	Tigrett, John Burton, Jackson, Tenn.			MAILED July 24, 1964	
ASSIGNEE	Tigrett Industries, Inc.				
TITLE OF INVENTION	Nursery unit			NOTICE OF ALLOWANCE DATE CLASS/SUB 005/003	

2. DEPARTMENT. (Indicate below if desired) Notice of May 27, 1964
"DEPARTMENT OF ISSUE OF PATENTS"
Published June 16, 1964
O. G. Vol. 803 page 633

3. FEE ENCLOSED
30.00

4. Assignee: (If assigned and name does not appear in the corresponding space above)

[illegible]

MAILING INSTRUCTIONS

Note—The office will send the patent to the address entered in stub at left below unless you direct otherwise. Use the spaces provided to indicate any changes which affect the delivery of the patent.

5. Do not send the patent to the address listed below. Send patent to (check one)

- ☐ Patentee
- ☐ Associate Attorney (See specific authorization in file)
- ☐ Assignee
- ☐ Change of address—Attorney

The address of the person checked above is typed in item 6 below.

6.

United States District Court

for the

District of Delaware.

COMMISSIONER OF PATENTS,
Washington 25, D. C.

Sir: (Wilmington)

NOV. 1965

U.S.

In compliance with the Act of July 19, 1952 (66 Stat. 814; 35 USC 290), you are advised that there was filed on the 29 day of November, 1965, in this court an action, No. 3121, entitled:

Name Standard Industries Inc., Plaintiff,

Address 120 wall Street New York N Y

versus

Name Tagrett Industries Inc., Defendant,

Address Wilmington, Delaware

brought upon the following patents:

	PATENT NO.	DATE OF PATENT	PATENTEE
1	2,790,978	May 7 1957	C.B.Whitlow
2	2,990,190	June 27 1961	L.A.Erickson
3	Application 124668,	July 16 1961	C.B.Whitlow
4	3,142,565	and 12/29/64.	
5			

In the above-entitled case, on the day of , 19 , the following patents have been included by (insert amendment, answer, cross bill, or other pleading):

	PATENT NO.	DATE OF PATENT	PATENTEE
1			
2			
3			
4			
5			

In the above-entitled case the following decision has been rendered or judgment issued:

EDWARD C. POLLARD
Clerk.

Date Nov 29 1965 19

By Henry L Scholly
Deputy Clerk.

124668

5-3

SEARCHED

Class	Sub	Date	Ex'r
5	1, 3, 11	4/26/02	CDS
5.1	126, 14	11/8/02	CDS
54*	26	11/19/02	CDS

INTERFERENCE SEARCHED

CLASS	SUB	DATE	EX'R
5	3 8 11 98 99	6/10/04	JVU

INDEX OF CLAIMS

Claim Final	Claim Original	Date	Claim Final	Claim Original	Date
	1	4/26/02		61	
	2	11/8/02		62	
	3			63	
	4			64	
	5			65	
	6			66	
	7			67	
	8			68	
	9			69	
	10			70	
	11			71	
	12			72	
	13			73	
	14			74	
	15			75	
	16			76	
	17			77	
	18			78	
	19			79	
	20			80	
	21			81	
	22			82	
	23			83	
	24			84	
	25			85	
	26			86	
	27			87	
	28			88	
	29			89	
	30			90	
	31			91	
	32			92	
	33			93	
	34			94	
	35			95	
	36			96	
	37			97	
	38			98	
	39			99	
	40			100	
	41			101	
	42			102	
	43			103	
	44			104	
	45			105	
	46			106	
	47			107	
	48			108	
	49			109	
	50			110	
	51			111	
	52			112	
	53			113	
	54			114	
	55			115	
	56			116	
	57			117	
	58			118	
	59			119	
	60			120	

SYMBOLS	STATUS
/	Rejected
=	Allowed
- (Through numeral)	Canceled
+	Restriction requirement
N	Non-elected invention or species
I	Interference
A	Appeal

IN-1009-0

6-22-64

124063

CONTENTS

1. Application papers.
2. Print July 2, 1961
3. Rejection MAY 3 1962
4. [illegible]
5. [illegible]
6. [illegible] NOV 23 [illegible]
7. [illegible]
8. Final Rej DEC 12 1963
9. [illegible]
10. Draft D(2) June 1-1964
11. [illegible] JUL 17 1964
12. LIST OF REFERENCES
13. Notice of Sus May 29, 1965
14.
15.
16.
17.
18.
19.
20.
21.
22.
23.
24.
25.
26.
27.
28.
29.
30.
31.
32.
33.
34.
35.
36.
37.
38.
39.
40.
41.
42.
43.
44.
45.
46.
47.
48.
49.
50.

Dec. 29, 1964 J. B. TIGRETT 3,162,865

NURSERY UNIT

Filed July 17, 1961 2 Sheets-Sheet 1

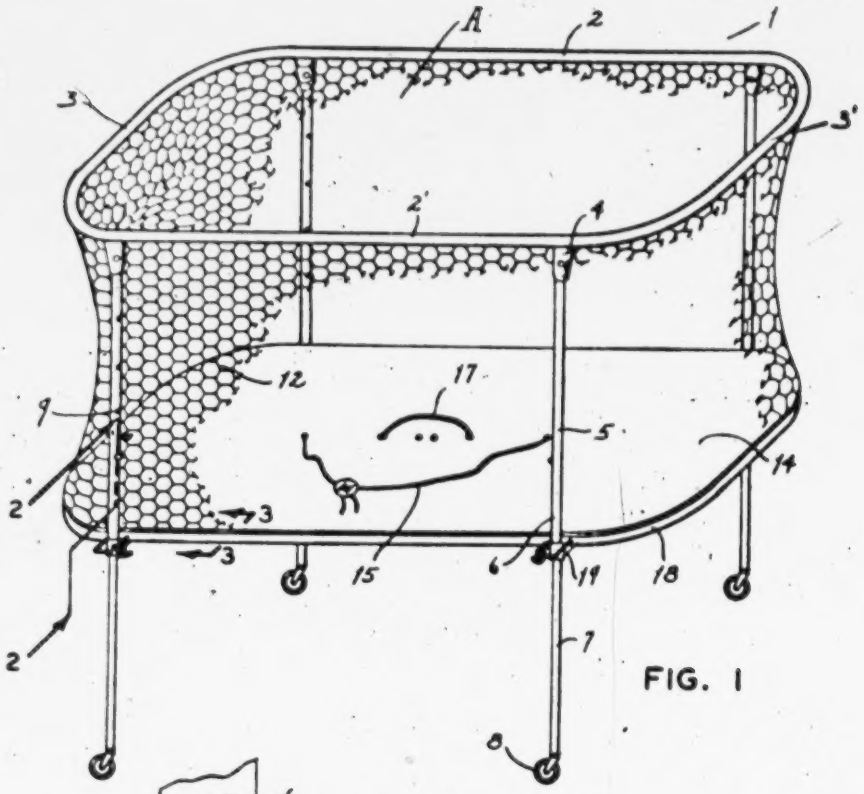


FIG. 1

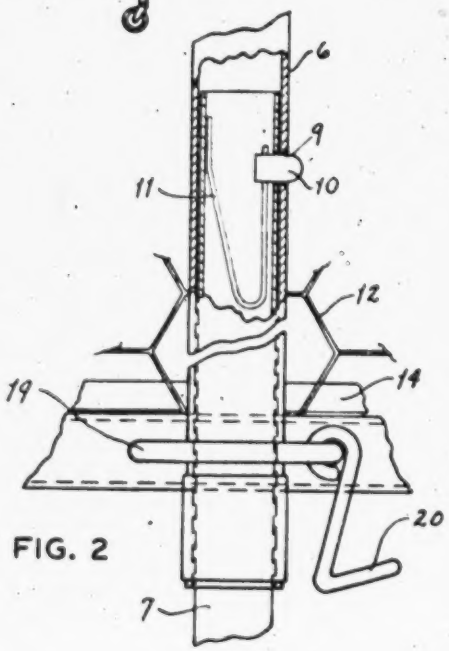


FIG. 2

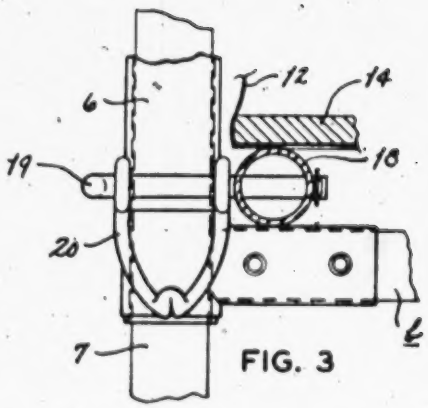


FIG. 3

INVENTOR
JOHN BURTON TIGRETT
BY Ralph M. Kalish
ATTORNEY

119a-1

United States Patent Office 3,162,865 Patented Dec. 29, 1964

3,162,865

NURSERY UNIT

John Burton Tigrett, Jackson, Tenn., assignor to Tigrett Industries, Inc., Jackson, Tenn., a corporation of Delaware

Filed July 17, 1961, Ser. No. 124,668
2 Claims. (Cl. 5—3)

This invention relates in general to infant equipment, and more particularly, to an article of nursery furniture.

It is an object of the present invention to provide a nursery unit adapted for multiple purpose usage, being so constructed for easy convertibility into a play pen, a baby bed, a dressing table, or a bassinet; and the operation of which does not require developed skill on the part of the user.

It is another object of the present invention to provide an article of nursery furniture having a simplicity of parts, and adapted for ready folding into either operative position of into a collapsed, compact unit for easy portability and storage in minimum space; the component parts being sturdy for long-lasting, hard, effective usage; and which is sufficiently light in weight for convenient manipulation by the average housewife.

A still further object of the present invention is to provide an article of nursery furniture which is versatile in usage; which can be most economically produced; and which is reliable and safe for infants.

Other objects and details of the invention will be apparent from the following description, when read in connection with the accompanying drawings (two sheets) wherein—

FIGURE 1 is a perspective view of a nursery unit constructed in accordance with and embodying the present invention, with portions of the netting being broken away, and showing the unit in full downward position for use as a play pen.

FIGURE 2 is a vertical view taken on the line 2—2 of FIGURE 1.

FIGURE 3 is a horizontal transverse sectional view taken on the line 3—3 of FIGURE 1.

FIGURE 4 is a bottom plan view.

FIGURE 5 is a side view showing the unit in upper position for utilization as an infant dressing table.

Referring now by reference characters to the drawings which illustrate the preferred embodiment of the present invention, A generally designates an article of infant furniture herein for sake of brevity referred to as a nursery unit, adapted for multiple purpose usage, comprising an upper, generally rectangular rim or frame 1 having side portions 2, 2' and parallel end sections 3, 3' and being fabricated preferably of light weight, tubular stock. Affixed to said upper rim 1 adjacent each corner portion thereof is a depending, short, mounting bracket 4 to each of which is pivotally engaged the upper end of a leg 5. Said legs 5 are of two-part construction comprising an upper tubular section 6 and a lower tubular section 7, the latter being of relatively reduced diameter for reception within the associated upper section 6 in telescoping relationship thereto. Carried at the lower end of each lower section 7 is a caster 8 for ease of maneuverability of nursery unit A. Upper leg section 6 is provided, substantially throughout its length with a plurality of vertically spaced openings 9 for selective extension therethrough of an adjustment, button-like member 10 resiliently mounted on a leaf spring 11 secured within the related lower section 7 adjacent the upper end thereof for urging adjustment member 10 outwardly for the reliable interengagement of said leg sections 6, 7 in any preselected axial relationship (see FIGURE 2). By forcing adjustment member 10 inwardly, by application of pressure thereagainst as by one's finger, within the erstwhile engaged opening 9 in the respective upper leg section 6, lower section 7 may be then limitedly rotated and thereon axially moved with respect to the associated upper section 6 until the selected relationship is effected. Thereon, the said lower section is returningly rotated to permit adjustment member 10 to spring outwardly through the adjacent opening 9 and hence thereby lock said sections together. Thus, legs 5 may be of any chosen length, such being dependent upon the convenience and comfort of the operator.

Sections 6 of transversely aligned legs 5 are interengaged by a cross bar b (see FIGURE 3), whereby each such pair of interconnected legs may be unitarily swung about the pivot at the upper ends of said legs between operative or extended position as shown in FIGURE 1 and folded or inoperative position (not shown) wherein said nursery unit A is collapsed into a compact form conducive to ease of transportability and to storage in minimum space.

Suspended from upper rim 1, throughout its extent, is a netting or mesh 12, as of nylon, fabric, or the like, and having an inherent resiliency, which is formed into general tubular or cylindrical shape, with its lower end edge being preferably bound, as at 13 (see FIGURE 4). Carried freely within said cylindrical netting 12 for disposition of its plane perpendicularly to the axis of said netting 12, is a base plate 14, being of rigid, relatively lightweight material, such as, pressed fiberboard, and the like, and having a marginal contouring desirably corresponding to that of upper rim 1 and being substantially of like dimension. The lower end portion of netting 12 extends inwardly beneath base plate 14 and the opposed margin portions of the lower edge of said netting 12 are connected by an elongated flexible member or drawstring, such as, of a length of string, rope, or the like, as indicated at 15, which is laced through openings in said netting and with its opposite ends passing upwardly through spaced openings 16 in base plate 14. The upwardly projecting free ends of said drawstring 15 are secured together to provide a convenient grip for pulling the lower end portion of netting 12 together, to take up any slack that may have developed during any converting operation so that the netting will be taut during usage.

There is also provided centrally of base plate 14 a handle member 17, as of rope, to facilitate manipulation of base plate 14, as may be required during adjustment of unit A.

Base plate 14 is restingly supported upon a rectangular lower frame or rim member 18, of similar shape and size as upper rim 1, being disposed in planar parallel relationship thereto; and being formed preferably of suitable tubular stock. Lower frame 18 is freely received upon cross bars b, inwardly of legs 5, and adjacent each leg 5 mounts a U-bolt 19 which extends laterally outwardly, each of which is in surrounding relation to the proximate legs 5 and on one side portion swingably mounts a hook member 20 adapted for engagement within an opening 9 of the upper leg section 6 of the said proximate leg 5, whereby said lower frame 18 may be supported by said legs in predetermined spaced relationship to the top rim 1, so as to, in turn, present base plate 14 at a desired elevation.

In usage, unit A is extremely versatile since by locating base plate 14 downwardly away from or upwardly toward top rim 1 the said unit may be converted into various distinct entities. Thus, as shown in FIGURE 1, with base plate 14 in full downward position unit A is accorded the character of a play-pen, with the distance between said plate 14 and top rim being sufficiently great to provide safety for an infant playing therein. In this condition netting 12 is fully extended and presents a yieldable, reliable side guard for an infant. It will be seen that

Dec. 29, 1964 J. B. TIGRETT 3,162,865

NURSERY UNIT

Filed July 17, 1961 2 Sheets-Sheet 2

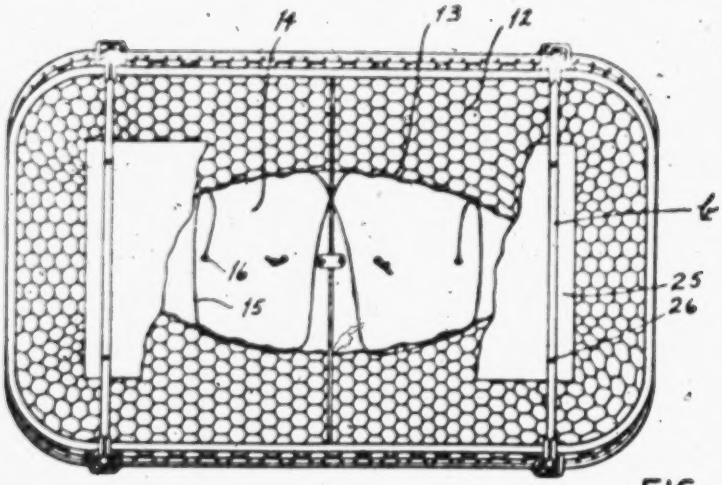


FIG. 4

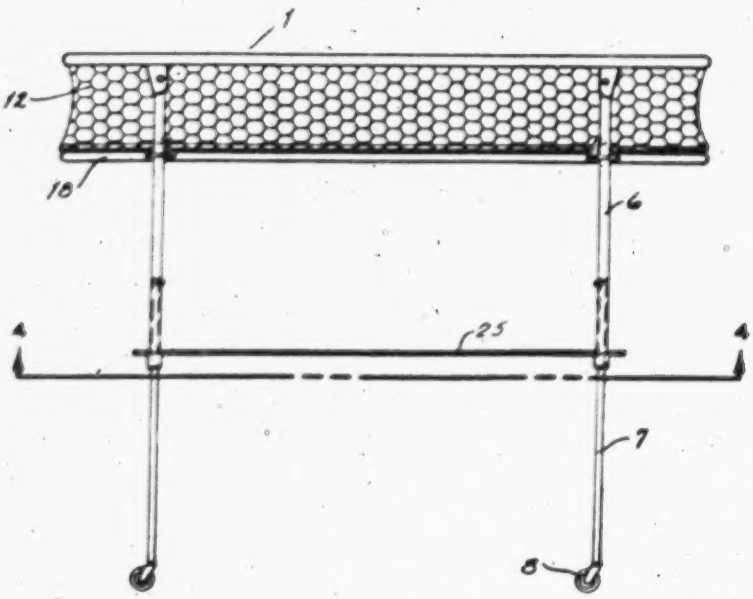


FIG. 5

INVENTOR
JOHN BURTON TIGRETT
BY Ralph M. Kalish

ATTORNEY

hooks 20 are in disengaged relation as lower frame 18 is in supported position on cross bars 5.

If it is desired to utilize unit A for an infant dressing table, such as shown in FIGURE 4, the user lifts upwardly on one end of lower frame 18 to present same for reception of the hooks 20 at such end in the uppermost opening 9 in the adjacent leg sections 6, and then similarly raises the other end and engages the related hooks 20 whereby base plate 14 will be disposed in horizontal position. In this condition there would, expectedly, be a considerable amount of slack in netting 12 and to correct such the user need only pull upwardly on drawstring 15 until the portions of netting between top and lower frames 13, 18, respectively, is substantially taut, as such operation pulls the lower edge of netting 12 together and thus contracts netting 12 for accommodating the particular condition of usage of unit A.

In similar fashion base plate 14 may be located at points between the positions shown in FIGURES 1 and 4 in order to adapt unit A for service as a baby bed and as a bassinet. The converting operation in each such case is in all respect similar to that above described in connection with the dressing table conversion, but with hooks 20 being engaged in opening 9 between the uppermost and lowermost of such openings to present base plate 14 at the appropriate level. This graded height control of base plate 14 is presented by unit A so that a similar article of furniture may now provide facilities heretofore obtained only by use of a plurality of such articles.

It is apparent that unit A may be easily collapsed into a compact unit for ready transportability or storage in limited space, such operation merely requiring the telescoping of the lower leg sections 7 within their associated upper sections with lower frame 18 together with base 14 being lifted upwardly into immediate contactive relationship with top frame 4 and then merely folding the two pair of legs toward each other into nestled relationship.

As shown hereinabove, lower frame member 18 will be supported upon cross bars 5 only when unit A is being used as a play pen, and in this condition hooks 20 will be in disengaged relation. However, as the bottom plate 14 is adjusted upwardly for other uses than as a play pen as described, the said lower frame 18 will be supported directly from legs 6 by means of the interengagement of hooks 20 within the related openings 9.

It is of course obvious that the base plate 14 is designed to receive a mattress or other type pad for infant comfort.

As may best be seen in FIGURES 3 and 5 an auxiliary shelf, indicated 25, may be provided for supported disposition upon cross bars 5. When unit A is used as a dressing table or as a baby bed, in which positions base plate 14 is located spacedly upwardly of said cross bars 5, said shelf 25 will be available for usage but with unit A in play pen position base plate 14 may be disposed upon said shelf 25 or the latter may be first removed. Said auxiliary shelf 25 may be of rectangular characteristic and secured upon cross bars 5 in any suitable, stable fashion such as, for instance, by means of screws 26. The said shelf 25 will necessarily be disengaged prior to folding of unit A into collapsed condition. Said shelf 25 thus provides a surface for holding the various articles necessary for proper baby care and attention.

In view of the foregoing it is obvious that the present invention is an extremely versatile device being capable of conversion for various infant usages and with such conversions being accomplished by the average housewife without the exercise of developed skill. Furthermore the nursing unit A is most maneuverable and is endowed with a simplicity of parts rendering it sturdy and stable in use and amenable to economical production.

It should be understood that changes and modifications in the formation, construction, arrangement, and combination of the several parts of the nursery unit may be made and substituted for those herein shown and described without departing from the nature and principle of my invention.

Having thus described my invention, what I claim and desired to secure by Letters Patent is:

1. An article of infant furniture comprising a top frame member, a base plate, a flexible netting having a general tubular form suspended from said top frame member and extending downwardly for receiving the said base plate and presenting same in normal planar relation to the axis of said tubular netting, said netting at its lower end extending inwardly beneath said base plate, drawstrings engaged in the lower end edge of said netting beneath said base plate, said base plate having a pair of spaced openings, said drawstrings being threaded upwardly through said openings in said base plate and being initially forcibly engaged above said base plate for providing a grip for convenient manipulation for said netting to elevate said base plate upward pulling on said drawstrings, a bottom frame member in plane parallel relation to said top frame member and disposed below said base plate for slippage thereof, legs engaged at their upper ends to said top frame member and extending downwardly therefrom, and means for engaging said bottom frame member to said legs.

2. An article of infant furniture as defined in claim 1 and further characterized by said legs being pivotally engaged at their upper ends to said top frame member for swingable movement between vertical in operative position, and horizontal in collapsed position, and said means for detachably engaging said bottom frame member to said legs comprising a plurality of leg surrounding elements fixed to said bottom frame member and extending downwardly therefrom, each leg having a plurality of vertically spaced apart openings, and a hook member swingably mounted upon each leg surrounding element for selected engagement within an opening in the proximate leg.

References Cited in the file of this patent

UNITED STATES PATENTS

2,916,691	Nelson	Apr. 15, 1958
2,963,053	Myers et al.	Dec. 6, 1960
2,978,723	Adamson	Apr. 11, 1961
2,978,724	Max et al.	Apr. 11, 1961
2,977,169	Werner	Jan. 26, 1961
2,986,421	Nowele	May 30, 1961
2,974,324	Mango	Mar. 14, 1961
2,991,486	Hamilton	July 11, 1961
3,018,495	Witherell	Jan. 30, 1962

Copy of U. S. Letters Patent No. 2,873,458

(Mounted opposite)

Feb. 17, 1959 J. Q. ADAMSON 2,873,458

COLLAPSIBLE PLAY PEN

Filed June 24, 1957

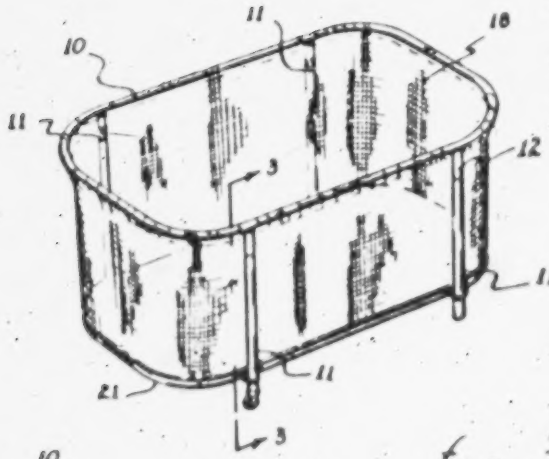


Fig. 1

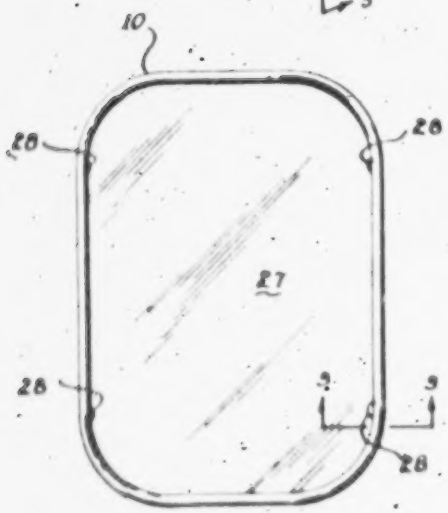


Fig. 2

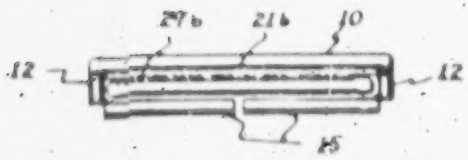


Fig. 4

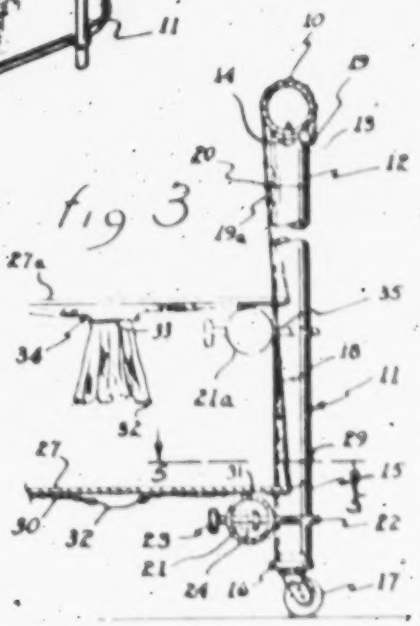


Fig. 3

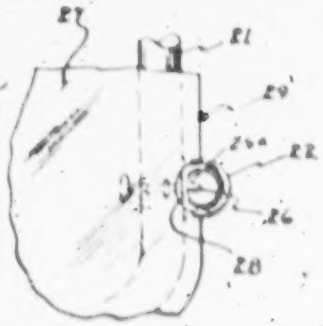


Fig. 5

INVENTOR.
JOHN Q ADAMSON

BY

Wilbur S Hamer

ATTORNEY

United States Patent Office

2,873,458

Patented Feb. 17, 1959

1

2,873,458

COLLAPSIBLE PLAY PEN

John Q. Adamson, Phoenix, Ariz.

Application June 24, 1957, Serial No. 667,030

1 Claim. (Cl. 5—98)

This invention pertains to collapsible play pens and is particularly directed to a foldable play pen of light weight but rugged construction.

One of the objects of this invention is to provide a collapsible structure which can be converted with a minimum of effort into a rigid upright unit.

Another object is to provide a collapsible play pen with a two position floor to convert the device from a play pen to a table like structure for holding the child in a more convenient elevated position.

It is also an object of this invention to provide a collapsible structure which can be loaded in a novel manner for storage or transportation of the unit.

A further object of this invention is to construct a play pen which can be readily and compactly folded.

Further features and advantages of this invention will appear from a detailed description of the drawings in which

Fig. 1 is a general perspective view of a collapsible play pen including the features of this invention.

Fig. 2 is a plan view of the device shown in Fig. 1.

Fig. 3 is an enlarged fragmentary section on the line 3—3 of Figs. 1 and 2.

Fig. 4 is an end elevation showing the device in collapsed condition.

Fig. 5 is an enlarged fragmentary sectional view on the line 5—5 of Fig. 1.

As an example of one embodiment of this invention there is shown a collapsible play pen having a top rail 10 which is supported on folding legs 11 consisting of the upper portion 12 rigidly secured to the underside 13 of the top rail 10 by screws 14 and the bottom portion 15 on the lower end 16 of which is mounted the usual caster 17. A suitable netting 18 is appropriately secured at its upper end by sewing or a tie cord 19 to the top rail 10 and extends downwardly inside the top rail 10 and the legs 11. The upper 12 and bottom 15 portions of the legs are hinged together by hinges 19a so that the bottom 15 may swing inwardly about the horizontal axes 20 of the hinges 19a.

Inside the legs 11 is provided the floor rail 21 which has a series of U shaped guides 22 fixed thereto which can slide up and down on the bottom portions 15 and upper portions 12 of the legs 11. Suitable latch pins 23 are provided in the floor rail 21 having suitable spring means 24 to normally urge the outer ends 26 of the pins 23 into the lower positioning holes 26a in the bottom portion 15 of the legs 11.

A floor member 27 is provided with notches 28 forming a clearance around the inner sides of the legs 11 and the webbing or netting 18 extends downwardly and over the outside edge 29 of the floor 27 and then inwardly between the underside 30 of the floor 27 and the top 31 of the floor rail 21 as best seen in Fig. 3. The lower edge 32 of the netting 18 is then drawn together by a suitable draw string 33.

The floor member 27 may be moved upwardly to an

2

intermediate position 27a if desired in which case the lower edges 32 of the netting 18 are drawn completely together and tied at 34. Fig. 3 and the floor rail 21 moved upwardly to the position 21a with the latch pins 23 being inserted into the upper positioning holes 35 in the bottom portions 15 of the legs 11. This provides a convenient working height for taking care of the child.

In Fig. 4 the device is shown fully collapsed with the floor member 27 in the position 27b up against the underside of the top rail 10 and the floor rail 21 in the position 21a up against the underside of the floor member 27 inside the upper portions 12 of the legs 11 so that the bottom portions 15 of the legs may be folded inwardly making a compact collapsed structure as best shown in Fig. 4.

While the apparatus herein disclosed and described constitutes a preferred form of the invention it is and is to be understood that the apparatus is capable of mechanical alteration without departing from the spirit of the invention and that such mechanical alterations and commercial adaptations as fall within the scope of the appended claim are considered to be included herein.

Having thus fully [illegible] what is claimed as new and desired to be secured by Letters Patent is:

A collapsible play pen comprising a horizontally disposed top rail, a series of collapsible upwardly legs supporting said top rail including vertically depending upwardly depending upper portions rigidly secured at their upper ends to the underside of said top rail, vertically disposed bottom portions engaging a floor, a hinge connection mounted on the lower inner edge of each said upper portion for vertical inward swinging movement of said legs and horizontally disposed abutment surfaces on the lower ends of said upper portions and the top ends of said bottom portions to limit outward swinging of said bottom portions to vertical aligned position with said upper portions, a horizontal floor member of load supporting rigid material having an outer edge vertically slidably fitting between the vertical inner surfaces of said depending legs when in vertically disposed position to positively hold said bottom portions in vertically disposed position until said floor is raised to fully up position above said hinge connections and inside of said rigid upper portions of said legs, a netting fixed at its upper edge to said top rail extending downwardly on the outer vertical surfaces of said upper portions and said vertically disposed bottom portions, said netting extending downwardly over said outer edge of said floor member, a floor rail vertically slidably fitting between said vertically disposed inner surfaces of said legs, means to said floor rail movable horizontally to engage said inside surfaces of said legs to vertically limit the position of said floor rail and floor member on said legs and draw string means in the lower edge of said netting located under said floor member for maintaining proper tension in said netting for any vertical position of the floor member on said legs, said upper portions of said legs projecting vertically downward from said top rail a distance equal to the vertical thickness of said floor member and said floor rail so that said legs may be folded vertically inwardly under said floor member and floor rail when said floor member is positioned up against the underside of said top rail.

References Cited in the file of this patent

UNITED STATES PATENTS

641,842	Goodwin	May 10, 1898
641,274	Cramer	Jan. 16, 1900

(Other references on following page)

3

UNITED STATES PATENTS

767,680	Barton	Aug. 16, 1904
926,849	Carson	July 6, 1909
1,043,728	Robison	Nov. 5, 1912
2,381,759	Lanese	Aug. 7, 1945
2,563,915	Boisselier	Aug. 14, 1951
2,650,371	Showalter	Sept. 1, 1953
2,790,978	Tigrett	May 7, 1957

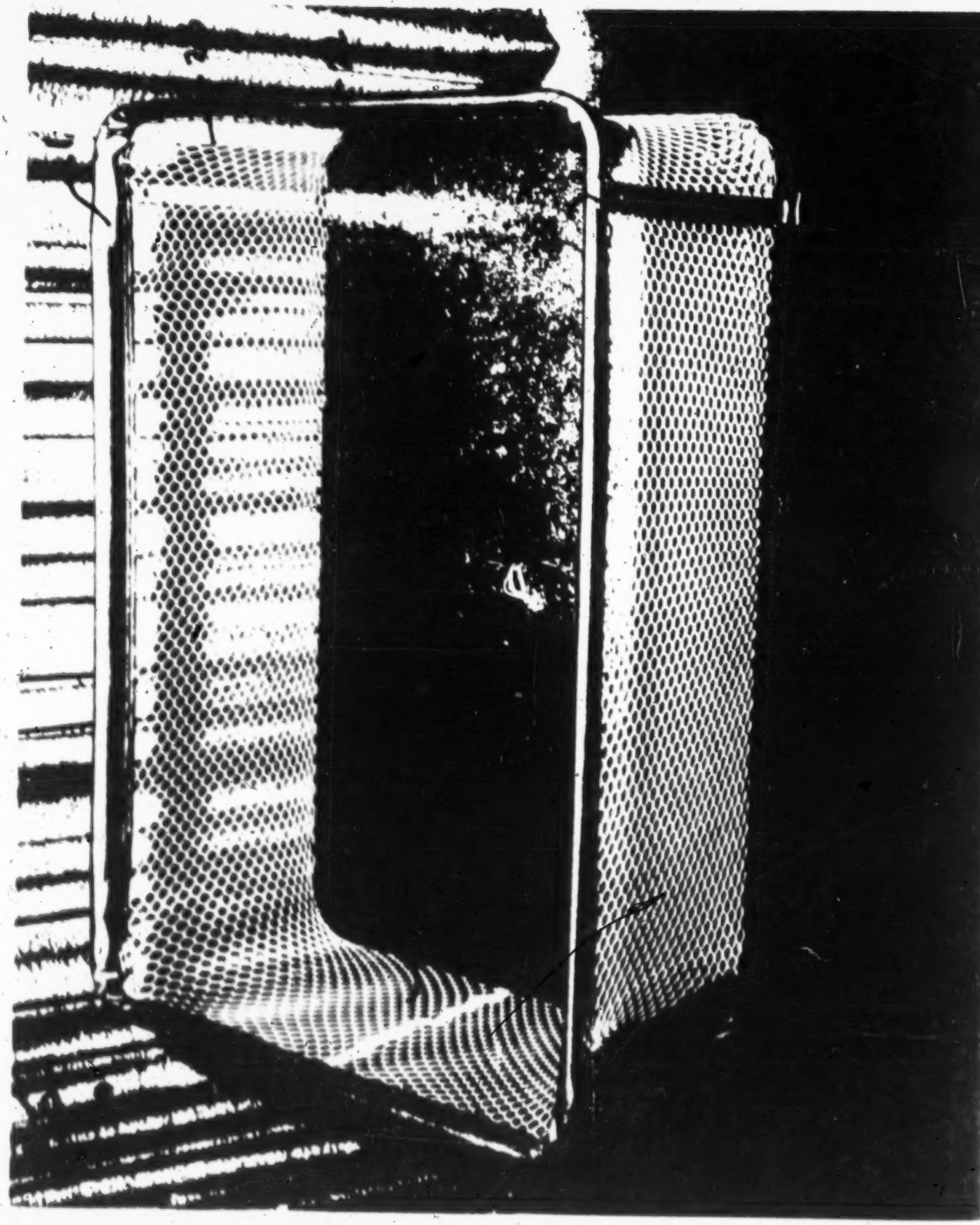
4

FOREIGN PATENTS

72,280	Germany	Sept. 29, 1906
768,344	France	May 14, 1934
924,879	France	Mar. 17, 1947
1,090,623	France	Oct. 20, 1954

Plaintiffs' Exhibit 53

Photograph.



Plaintiffs' Exhibit 54

Photograph.

125a

Excerpt From Transcript of Proceedings

ing my tenure at Washington University, I was head the Department of Industrial Engineering, and the Department of Industrial Engineering included such things as production engineering, manufacturing processes, fabrication methods. I had charge of the shops, which included the fabricating shops, the tools and the gauge shops, and in industrial engineering they also covered such subjects as time and motion study, cost accounting and so forth.

The school at Washington University, while I was Dean, had between fifty and a hundred teachers, and they had between one thousand fifteen hundred students during that period. In 1961 I obtained a leave of absence arrangement from the University, which is still in effect.

Q. During that period of time, have you done any

outside consulting work in the engineering field at all? A. Yes. I have. I have done consulting for manufacturing companies, and I have testified in patent cases on such subjects and in such areas as electrical matters, metal cutting, structures, manufacturing processes, gauges, and tolerances that are used in manufacturing and also electrical relays.

Q. Dean Fischer, when you were practicing patent law from 1961 to '41, did you have any occasion at that time to draft patent applications? A. Yes, I did. In the six years that I was practicing I drafted a number of patent applications, and I was admitted to the practice before the Patent Office.

Q. And you had occasion to prosecute patents? A. Yes, I did.

Q. You mentioned the fact that you have testified in patent cases. Do you have any idea how many times you have testified in an expert? A. In the past twenty

the pictures, Figure 1, you can see one way in which the unit is used, and then if you turn over to Figure 5, you can see that it can be raised and made like a bassinet. It's not nearly as deep as it is in Figure 1, so it is a convertible unit, and the bottom can be raised and lowered.

This particular patent shows also that the legs are slidable, and they telescope, so that if you want to disassemble the device and put it in your closet or something, the legs collapse, and the bottom slides up and it makes a compact unit. There are some over there on the side of the courtroom that are in boxes. They are very flat that way. This unit, the unit we had before, the circular unit, is sort of automatic; so that when you lift up the bottom, the legs collapse. In this particular unit, the legs are folded under by the person using the unit itself. In the drawings in Exhibit 10, for instance, the top, there is a top frame, and it is numbered 1, 2 and 3. These are the numbers used on the drawing. The upper

(175)

frame is numbered as a numeral 1. Then, extending from the upper frame is the net, and it is evident where the net is from the drawings of the patent. Then, there is a lower frame at the bottom, and this lower frame is metal, and it can be seen on Exhibit 51, and above the lower frame is a base plate, and that's No. 14 in the drawing, and this base plate rests on the lower frame.

There are "U" shaped brackets on the side of the device, and I think I can use the device and show you better than the drawing. These "U" shaped brackets are fixed to the bottom frame and the "U" shaped brackets extend around the legs, so that you can move the bottom frame up and down, and on this "U" shaped bracket is a hook device, and I have it in my finger, and this hook device

can be placed in holes on the legs, and that holds the bottom frame in a particular position.

The Court: Can you adjust it to more than two depths?

The Witness: No, sir. In this particular device, it has two holes, so you can only have two holes. If you wanted more depth, you would have to put more holes.

The Court: If you have two holes, wouldn't you have three depths, two in the two holes, and

(176)

one when it is resting at the bottom?

The Witness: I would agree to that.

The Court: Show me a bassinet there.

The Witness: All right. We will change it to a bassinet.

Now, this is a bassinet, and then there is a draw string underneath the bottom plate, and this draw string is extended up. There are several draw strings. They extend up through a hole in the bottom, and if you pull on this draw string, you can tighten the net that goes around, and now we have it in the bassinet position, you see (indicating). I have held the draw string up tight, and I have tightened the net, and this is now in the bassinet position. This is Exhibit 51 in the bassinet position, and it looks like, of course, Figure 5 of the drawing of the patent, which shows the bassinet position.

Mr. Kalish: While you are off the stand, perhaps you might want to look at both structures, so you can see any distinctions between the two in order that your testimony may be directed to both of them at one time.

(177)

The Witness: I am now looking at Exhibit 3, and besides the difference in size, Exhibit 3—Exhibit 3's legs haven't been extended, so Exhibit 3 looks like it is lower, but it's legs extend by pressing in that button (indicating), and there the legs can be made higher. The essential difference is in the bottom frame members. You notice the bottom frame members on Exhibit 3 have a curved-in portion; whereas the bottom frame members on Exhibit 51 has just a straight bar along the side. There also is a slight difference in the method of lifting the bottom. There is a string handle on Exhibit 3, and on Exhibit 51 there are just two holes that you can put your fingers in, and aside from that, the two operate the same way.

The Court: Can you take up the string in the net in Exhibit 3, as in the other one?

The Witness: Yes, sir; just the same way.

The Court: I see.

The Witness: Now, refering again to the patent, I might mention that you can see the type

(178)

of U-bolt in Figure 1, and it's numbered 19 on the drawing, and it is hard to see the little hook. You have to go through Figure 2 to see the little hook, and it is numbered 20.

That's the little hook that I used to push in the hole in the side of the legs. The little hook is numbered 20, and the U-bolt is numbered 19 in the drawing, and they are the same as on the device that I just explained to the Court.

In the drawing there is a string handle, 17, to move the plate up and down.

Now, the only difference in operation is that in the patent they show the draw strings being brought up through two holes, rather than having the draw strings brought up through one hole.

By Mr. Kalish:

Q. Now, I have handed you Exhibits 53, 54 and 55, which have been stipulated to be photographs of the Golden Convertible produced by Jackson Furniture Company, and with the exception that the device depicted in those three photographs, which is all one and the same, does not have the indented portion on the base string, it does not have a

(179)

base string, as in Exhibit 3. I would like to have you note these photographs and then direct your attention to Figure 1.

Mr. Hochroth: May I object to the question as being leading? I don't know who is testifying at this point. We have gone through an entire explanation of what the witness may see.

The Court: I believe it was leading. I think Mr. Kalish was trying to push the thing along here.

Mr. Kalish: I wanted Your Honor to use this photograph as against Claim 1. We are well aware that the base string in the photograph does not have the indentations or the cord handle.

The Court: All right.

By Mr. Kalish:

Q. Directing your attention to the last page of Exhibit 10, Patent 865, and to the first numbered paragraph in

Column 4, bearing numeral No. 1, which is Claim 1, and ask if you would read that claim and make reference to Exhibits 53, 54 and 55, to point out to the Court the structures shown in the photographs Exhibits 53, 54 and 55.

The Court: Which one of those are you going to use to put your numbers on?

(180)

The Witness: I believe I can get by with just using one.

The Court: Which one?

The Witness: Exhibit 53. I may later refer to another, but I think not.

The claim states, "An article of infant furniture, comprising a top frame member.", and I am going to number that 21.

Then the claim goes on to state, "A base plate", and I will number that 22.

Then the claim goes on to state, "A flexible netting having a generous tubular form suspended from said top frame member." And I will number that No. 23. That's the netting—"And extending downwardly for receiving the said base plate." It just describes that the netting extends downwardly, and it, of course, goes down under the base plate—"And presenting same in normal planar relation to the axis of said tubular netting." All that means is that the base is perpendicular to the netting as plainly appears.

Then it goes on, "Said netting at its lower

(181)

end extending inwardly beneath said base plate." It says, "And" in there, but it should be "end".

• • •

(182)

The Court: All right.

The Witness: The netting extending under the base plate is shown in Exhibit 55, and I am going to number the netting on that exhibit 2, where it can be seen easily under the base plate.

Then, it goes on, "Drawstrings engaged to the lower end edge of said netting beneath said base plate." You can also see that better from Exhibit 55. The drawstrings are shown there plainly, and I will number those drawstrings 24.

By Mr. Kalish:

Q. Did you tell me a moment ago that you numbered the netting beneath the base plate? A. Yes—23. Then 24 is the drawstring.

Then the claim goes on to state, "Said base plate having a pair of spaced openings." Now, in the patent there are two openings through which the drawstrings go, and here (indicating), the drawstrings go through one opening, and I am going to number that opening 25.

Then the claim goes on to state, "Said drawstrings being threaded upwardly through said openings in

(183)

said base plate and being mutually fixedly engaged above said base plate for providing a grip for convenient manipulation for said netting to elevate said base plate by upward pulling on said grip."

Now, the grip I am going to number that 26. There is a button shown in the photograph, and this is sort of a thing that brings all drawstrings together. It holds them all together.

The Court: So you can pull them all at once?

The Witness: Right. So you get hold of that and pull them all at once.

Then the claim goes on to state, "A bottom frame member in planar parallel relation to said top frame member and disposed below said base plate for support thereof."

And that refers to the bottom frame member which you can see in Exhibit 55. It's just a metal frame, and I am going to number that 27.

Then the claim goes on to state, "Legs engaged at their upper ends to said top frame member and extending downwardly therefrom."

(184)

You can see that the legs are engaged at their upper ends to the top frame member, and I will number the point where they are connected 28, and the claim states that they extend downwardly therefrom, which is obvious.

Then the claim states, "And means for engaging said bottom frame member to said legs." Well, that's the U-bolt, and I will number them 29.

By Mr. Kalish:

Q. Now, before going further, I direct your attention to Exhibit 3, wherein the base frame carries on opposite sides two aligned indented portions, and I will ask you whether or not the provisions of those indented portions in any way renders the base frame in this exhibit in non-planer parallel relation to the top frame? A. No, it does not. That exhibit operates the same in the parts that I read from the claim as does the Exhibit 50.

Q. Would you explain to the Court, just to be sure there is nothing misunderstood, the term "planar parallel"? A. That means that one plane is parallel to another plane, that there is a plane that is parallel to something

(185)

else.

Q. So, the indentation—— A. (Interrupting) They don't affect that wording whatsoever.

Q. Are they still on the same plane as the base frame? A. Yes, they are.

Q. Now, Dean Fischer, you have noted that in the structure of Jackson Furniture, Exhibits 3 and 51, they contain but a single opening for the drawstrings; whereas the particular language of Claim 1 of the Patent 865, Exhibit 10, recites that the drawstrings are pulled up through a pair of spaced openings. Now, is there any difference in the openings between the structure claimed and either one of the structures set forth here, Exhibits 3 and 50? A. There is no difference in the operation of the structure. It doesn't matter whether you bring the ends of those drawstrings up through two holes, or even three holes, whether you bring them up through one hole as long as you pull on the drawstrings and tighten up the net.

Q. Would it be your testimony, or not, that the structures'

(186)

Exhibits 3 and 51 do substantially the same work in substantially the same way to accomplish substantially the same results?

Mr. Hochroth: I object to the question as leading, Your Honor, if I may.

The Court: He said, "Whether or not", objection overruled.

The Witness: In my opinion, they do. They do the exact same work in exactly the same manner and in the same way, and whether you put the drawstrings through one hole or two holes, makes no difference in the operation of the device and in both cases it lifts up the bottom and tightens the net in the same manner.

By Mr. Kalish:

Q. I now direct your attention to Claim No. 2, and ask you if you would explain first to the Court what a dependent claim is, and then go on and compare the structure defined in Claim 2 to the structures of Exhibit 3 and Exhibit 51. A. Well, a dependent claim is a claim that refers back to another claim, and instead of writing the whole thing, they just say that it is the same that is in Claim 1,

(187)

and then they have additions, and that's what this claim is.

Q. Does the dependent claim incorporate all the limitations of the parent claim? A. Yes, it does.

Q. Now, Claim 2? A. Claim 2 states, "An article of infant furniture as defined in Claim 1 and further characterized by said legs being pivotally engaged at their upper ends to said top frame member for swingable movement between vertical or operative positions and horizontal or collapsed position." What that says is that those legs are pivoted to the top frame, so that you can swing them parallel to the top frame, and you can put them down in vertical position, as we have on the exhibit

there, and I have already numbered the pivot joint 28 in Exhibit 53, and Exhibit 51 has just been folded to demonstrate that the legs are pivoted on the top frame just like the claim says, and they can be folded into a non-operative position for storage.

Then the claim goes on to state, "And said means detachably engaging said bottom frame member to said legs comprising a plurality of leg-surrounding elements." Now, this is that U-bolt construction, and I have numbered

(188)

the U-bolt 29, and what this claim is doing now is getting more specific about the U-bolt, so it said "And said means detachably engaging said bottom frame member to said legs comprising a plurality of leg-surrounding elements fixed to said bottom frame member and extending outwardly therefrom", and that's what the U-bolts do. If I might show you on Exhibit 51—the U-bolts are fixed to the bottom frame member, and then they extend around the legs, and you can see that lets it slide up and down and that's what this claim just stated.

The Court: You better give that a number on your Exhibit 55.

The Witness: I have used 29 for that U-bolt, and you can see it in Exhibit 55 so I am going to use the same number, 29, here (indicating).

Then the claim goes on to state, "Each leg having a plurality of vertically spaced apart openings," and those are the holes that I stuck the hook in, and you can see that from Exhibit 51. The holes are on the inside of the leg, and that's where you stick the hook, and on

(189)

the photographs you can see one of the holes, on Exhibit 54, and I will number it 30, and, of course, there were two in each leg, and they are spaced apart vertically as the claim states.

Then the claim goes on to state, "And a hook forming member swingably mounted upon each leg-surrounding member for selected engagement within an opening in the proximate leg."

And that refers to the hook that I pushed in the hole, and I am going to number that 31 on the drawing, Exhibit 54, and I am also going to number it on Exhibit 55, since the hook might show up a little better there.

The Court: As 31?

The Witness: Yes, sir. Then, that completes the claim.

By Mr. Kalish:

Q. With respect to Claim 2, Dean Fischer, of Patent 865, Exhibit 10, in your opinion, or what is your opinion as to whether or not the structures marked Exhibit 3 and 51 do substantially the same work in substantially the same way, and accomplish exactly the same result as the structure

(190)

defined in Claim 2? A. That is my opinion, that the Exhibit 51 and Exhibit 3 operate in the same manner, and they accomplish the same result as does the 865 patent.

Q. With respect to the 978 patent, you testified that Exhibits 50 and 1 differed in that Exhibit 50 had a pair of holes in the base plate; whereas, Exhibit 1 had a cord handle. You recall that testimony? A. Yes.

Q. Now, would that distinction in your estimation in any way affect your opinion as to these structures that you read on Claim 1 of Patent 978? A. Absolutely not. In the part I read from the claim, it says nothing about how you lift the base plate at all, and it's obvious to anyone that you can raise the base plate by putting your fingers in two holes, or by raising it with the handle. It's the same purpose.

• • •

(191)

Cross examination by Mr. Bader:

• • •

(193)

Mr. Bader: All right, Your Honor. I will withdraw the question under those circumstances.

Q. I would like to get back to the 978 patent, Mr. Fischer. Now, in the 978 patent, Claim 1 calls for an annular frame member. A. Right.

Q. I take it that if the frame member were square, that would not read on the structure? A. Well, that would depend—you mean in this particular case?

Q. Assuming that this play pen were made in a square array, rather than a round array, Claim 1 would not read

(194)

on it?

• • •

(195)

By Mr. Bader:

Q. Mr. Fischer, you are familiar with patent law, of course. You have worked on patents quite a while? A. Yes.

Q. And, as you know, in order to infringe upon them, you have to utilize every element contained in that claim, isn't that so? A. Yes.

Q. And, therefore, Claim 1 here calls, as you notice, for the leg members to be secure at the base point on the annular frame member. A. You are reading Claim 5.

Q. I have pointed to Claim 5, but I am reading Claim 1—"A plurality of normally depending legs pivotally secured at one end at spaced points on said annular frame member." A. Yes.

Q. Now, these, of course, are spaced points (indicating)? A. Right.

Q. Now, what does space mean? A. Space means that they are separated.

Q. And if they were together, they would not infringe, would they? A. Then they wouldn't be spaced, right.

(196)

Q. Now, can you come over here, Mr. Fischer? With respect to the 865 patent, I hand you your 865.

* * *

(202)

Q. Now, Mr. Fischer, in reading Claim 1 of the 865 patent and referring now, since we have the mattress off, to Exhibit 51, the claim 1 requires that the base plate has to have a pair of spaced openings for the drawstring, doesn't it? A. That's what this claim states, yes.

Q. What does spaced mean? A. They are separated.

Q. Are these openings separated, or are they together? A. There are two that are separated, but the one the drawstring goes through is one opening.

Q. So, actually, the term of the claim "spaced open-

ing'' is not met by this structure, is it? A. My statement was that the equivalent was in the structure, but not the exact word.

Q. We will get to the equivalent later, Mr. Fischer. I am merely now stating the technical situation, that the technical terms of the claim are not met by this structure, are they, because the claim calls for a pair of spaced openings and here there is only one?

(203)

A. Insofar as that last is concerned, that is true, the claim calls for spaced openings, and there is only one, but you have to—I mean that has to be subject——

Q. Just a moment.

Mr. Tomlin: Let him finish.

The Court: Just a minute. I think, Dean Fischer, that he is going to get into the question of equivalence later. He is asking a simple question, which is self evident, which is whether two holes are the same as one, and you said no.

By Mr. Bader:

Q. Nor is the single hole here spaced, of course? A. No. There are spaced holes, but as far as the string going through holes, they are not spaced openings.

Q. That's what the claim calls for, doesn't it? A. That is right.

Q. And the claim calls for these strings to go through holes to be mutually fixably engaged above the base plate for providing a grip? A. Right.

Q. Now, that means the strings themselves have to provide the grip, doesn't it?

(204)

A. Yes, and that's done in the device.

Q. Now, here we have an auxiliary, don't we? The strings don't provide the grip? A. Yes, sir, they do. You didn't lift it up before that way. You put your whole hand on the strings and pulled.

Q. Are these strings mutually engaged to one another? A. Yes, by that button.

Q. But I am saying are they joined together by themselves without the use of the button? A. You would have to take the button off to see if they are tied together. I think some of them are tied together—there they are tied together. So, they are mutually and fixedly intact.

Q. So, these are fixedly engaged to one another in your opinion? A. They are.

Q. Now, Mr. Fischer, are you aware of what the doctrine of file wrapper estoppel is? A. Yes.

Q. What does it mean? A. It means if you say something in the file wrapper that you later can't repudiate this.

(205)

Q. Meaning, for example, if, during the course of prosecution the spaced openings were claimed as a feature in order to avoid prior art references, you could not say now that the spaced openings were an immaterial part of the structure?

Mr. Tomlin: If Your Honor please, just a minute. He asked Mr. Fischer if he knew, and then he told him what it was.

The Court: Well, he can ask a leading question.

The Witness: That's not exactly my understanding. My understanding would be if you made an

argument and you said that this was entirely different from all the other patents because there are two openings and the two openings produce a difference in operation and the attorney went on and on about the two openings providing a big difference over the prior art, then he couldn't come in later and say that the openings didn't make any difference. The mere fact that they appear in the language of the claim as presented to the Patent Office doesn't furnish estoppel, in my understanding.

(206)

Q. But, if they are referred to in order to provide prior art reference as a point of distinction, then, of course, file wrapper estoppel would apply? A. I repeat what I previously said—they would have to be referred to and tied in with the prior art as a point of distinction and relied on. They would have to be relied on as making the big difference. Just the fact that they appear wouldn't make that an estoppel.

The Court: I believe the question is more precisely, Dean Fischer, if the applicant relies on the spaced openings specifically to avoid prior art references, then does the estoppel work?

The Witness: If he relied on this specifically and that alone, to avoid, then the estoppel would work in my opinion.

By Mr. Bader:

Q. Now, this is the original Claim 1 of the patent. Is there anything in that original claim about any spaced openings? A. No.

Q. Now, there was an action by the Patent Office and apparently the prior reference that was relied on was the

(207)

patent to Adamson, as you will note. There were other references, of course, but apparently Adamson was the principal one relied on by the Patent Office—that's a fair statement, isn't it, Mr. Fischer? A. I am just reading this (indicating).

Q. I don't want to be unfair to you. Adamson was actually the prior reference relied on? A. In this action, I would say yes.

Mr. Kalish: Would you identify the action, please, for the record?

Mr. Bader: This is the office action, which is Paper No. 3 mailed May 3, 1962, and it is actually pages 16 and 17 on the file history, the Exhibit with the blue ribbon on it.

Q. Now, in response to that there was an amendment filed, which is Amendment A? A. Right.

Q. And, now I would like you to read Claim 8, but please ignore the interlineations put in later, and just confine yourself to the original Claim 8, as presented, and I ask you whether in that Claim 8, spaced openings now appear? A. Yes. It states in the claim, "Said base plate

(208)

having a pair of spaced openings", but the——

Q. Don't qualify the answer at this point. I just asked the question. Your counsel will certainly bring this out in redirect, I am certain.

Mr. Tomlin: If Your Honor please, I would like to insist that any answer of this witness that requires explanation that he be permitted to give it, instead of relying solely upon redirect examination.

The Court: Well, I suppose that's true if it requires an explanation. The witness did not seem to think it did.

Mr. Tomlin: But counsel is trying to limit his testimony, and I did not want the Court to permit that.

Mr. Bader: I did not intend to do that, Mr. Tomlin. If the witness had felt an explanation was necessary, I certainly wouldn't ask him when did he stop beating his wife.

The Court: Go ahead, and let's move along.

By Mr. Bader:

Q. Now, would you read to me the remarks that were made by Mr. Kalish in the prosecution of this application

(209)

when Claim 8 was presented? A. Yes.

Q. In toto, please. A. (Reading) "Claims 1 to 7 have been canceled without prejudice and in lieu thereof, there have been submitted Claims 8, 9 and 10, which seek to define in more definite fashion the especial advance made in the art by applicant. Thus, Claim 8 differs from the preceding claims and references of record in defining an article of infant furniture comprising a top frame member, a base plate, a flexible netting having a general tubular form, a bottom frame member and with said flexible netting extending beneath the base plate with drawstrings engaged at the lower end of said netting and extending

through openings in the base plate for mutual securement to allow for convenient manipulation of the base plate."

Q. You need not read any further at this point.

The Court: Which patent are we talking about now?

Mr. Bader: We are talking about the 865 patent, which is Exhibit 10, Your Honor, which involves these structures here (indicating).

(210)

We call this, for convenience, the Golden Convertible.

Q. Now, then, there was another office action in the case with a further rejection and apparently again in this case, would it be fair to say that Adamson again was relied on as the principal reference together with others? A. They relied on Adamson again, right.

Mr. Kalish: What was the date of that action, please?

Mr. Bader: November 23, 1962, and pages 22 and 23 of the Certified History of the File Wrapper.

Q. Now, would you read Claim 8, as amended, and would it be fair to state now, that Claim 8 was now amended by the applicant to avoid the rejection by stating that the drawstrings now extended beneath the base plate, that the drawstrings were threaded upwardly through the openings in the base plate, and they were mutually fixably engaged above the base plate, and that they provided not a handle, but a grip for convenient manipulation for the netting to elevate the base plate by upward pulling on the grip?

Those were the charges that were made, were

(211)

they not? A. No. Because you read over again what was printed and that wasn't a change.

Q. Then, I have been unfair. Let me go over the changes again.

In line 8 of the claim, after the word "netting", the words, "beneath said base plate" were added. In line 9, after the word "threaded", the word "upwardly" was added? A. That is right.

Q. In line 10, after the word "engaged" the words "above said base plate" were added? A. That's right.

Q. In line 11, the word "handle" was canceled, and the word "grip" was substituted? A. Right.

Q. And in line 12, after the words "base plate", the words, "by upward pulling on said grip" were added? A. Yes.

Q. Apparently, there must have been a further amendment. I think it was "handle" originally, and then "grip" may have been substituted, but it is not material at this point?

(212)

A. That's right.

Q. Now, would you read to me the remarks that Mr. Kalish submitted at that time? A. This is from Amendment B, and the date received in the Patent Office is May 13th, 1963——

(Reading) "Claim 8 has been amended to recite that the drawstrings are engaged to the lower end of the netting below the base plate and that said drawstrings are threaded upwardly through the openings for mutual engagement above the base plate, and that the same by pulling upwardly thereon will effect elevation of the base plate. It is submitted that said claim, as now amended,

clearly defines patentable subject matter over the references of record. The examiner will recognize that applicant's clever and ingenious use of the strawstrings provides a readily accessible expedient for elevating and lowering the base plate. Such means do not necessitate the user's having to work beneath the base plate, as would be required in the Adamson construction. Thus, one would have to operate the drawstrings of Adamson from beneath the base plate rather than from above same, and it is very obvious that such could only be highly inconvenient and cause one to be resistant to vertically adjusting the base plate.

(213)

The May, et al, reference is not pertinent, since the same merely shows the tying together of the cords 19. The mutually engaged ends of such cords are not adapted to provide a handle for effecting any operative movement of any part, or parts, of the cradle. The cords of May, et al, are merely means for supporting the fabric members 18 and to allow of its removal for cleaning purposes."

Q. Thank you. Now, could you step down for one moment, please, Mr. Fischer. I only have two or three more questions. I would like to refer back now to Exhibit No. 3.

Now, in connection with the patent involved—I am going to use the file history, rather than the patent itself, and I would like you to read a section for me.

Would you read into the record, please, lines 47 through 51 of the patent, starting with "Base plate 14"?

The Court: Are we still dealing with 865?

Mr. Bader: Yes, Your Honor. I have finished with the other patent. We are dealing with 865

alone, and I am not going to get back to the other patent, Your Honor, and I am almost finished with my cross-examination.

The Court: All right.

• • •

(218)

Redirect examination by Mr. Kalish:

Q. I hand you now, Dean Fischer, a copy of Patent No. 458, which is the Adamson patent, referred to in the file history, Exhibit 45, this being Exhibit 57, and I direct your attention also to page 24, Exhibit 45, which is the amendment wherein Claim 8, which I think became Claim 1 after the patent was amended, and I ask you to advise the Court as to the nature of the Adamson structure from the standpoint of drawstrings as alluded to in that amendment? A. In the Adamson patent there are some drawstrings, 32, but they are underneath the base plate. They don't come

(219)

through in any manner, through one hole or through two holes. They don't come through.

The Court: How do you use the drawstrings?

The Witness: Reach underneath.

The Court: And pull them down?

The Witness: Yes, sir, pull them down.

By Mr. Kalish:

Q. Now, will you advise the Court as to how Claim 8 was amended in that amendment? A. It says, "Claim 8

has been amended to recite that the drawstrings are engaged to the lower end of the netting below the base plate and that said drawstrings are threaded upwardly through the openings for mutual engagement above the base plate, and that the same, by pulling upwardly thereon will effect elevation of the base plate. It is submitted that said claim, as now amended, clearly defines patentable subject matter over the references of record."

Of course, in the Adamson patent, if you pull down, you couldn't raise the base plate with the strings,

Q. Then, in viewing that particular amendment whereby, as I understand, the Patent Office then allowed the claim, would you advise the Court as to just what area in which you think the plaintiffs would be estopped by the file

(220)

wrapper?

Mr. Hochroth: Your Honor, I object to the question. I think this is purely within the Court's determination.

The Court: Well, your patent lawyer is pulling you down, and I think he is right. This is a matter of expert opinion.

The Witness: If a structure came along and had the drawstring underneath, and you had to operate the drawstring underneath, and then you tried to make these claims and say they were equivalent by saying there is no difference between underneath and on top, then it's pretty obvious that what has been said here would certainly contradict that, because what has been said here says this is a difference between whether you have it on top, or whether you have it underneath.

By Mr. Kalish:

Q. Is it your testimony that the file wrapper estoppel would relate to the drawstrings being engaged above the base plate? A. Yes.

(221)

Q. Is it your testimony, or not, in respect to the limit of claim 8 that the number of openings that may have now been recited in that claim are critical to overcome the Adamson patent? A. In my opinion, the number of openings that you brought the string through were not critical to overcome the Adamson patent.

The Court: Why is that?

The Witness: The Adamson patent had an opening, but the strings came down below the opening, and the big argument to overcome the Adamson patent was if you used the Adamson you had to go underneath and reach and pull down; whereas, if you did what the invention did, you could pull the strings from on top, which is easier, and also when you pull the strings from on top, it would raise up the base plate, instead of pulling down the base plate.

The Court: If, in the Adamson patent you had to reach from below to get the drawstrings, what would be the function of the hole——

The Witness: There is no hole.

The Court: I didn't think there was, but

(222)

I thought you said they had it.

The Witness: I am sorry if I did. There is no hole to pull it through.

The Court: So the question the Court asked is—

is the reason you say the two holes, which are spaced, is not critical as against the Adamson patent, because the Adamson patent had no holes through which to pull the strings?

The Witness: That is right.

The Court: Go ahead.

By Mr. Kalish:

Q. Figure 2 shows the base plate in Adamson? A. Yes.

Q. 27 is the base plate? A. Yes.

Q. And there are no holes in the base plate of Adamson? A. No.

• • •

(223)

Recross examination by Mr. Bader:

• • •

(224)

Q. Then, why isnt' it important that spaced openings be provided in the base plate? A. Because it's obvious whether you bring the strings up through one opening or two openings, that you accomplish the same results. You could put them through three and it

(225)

wouldn't make a bit of difference. But whether or not the frames are parallel, you can see that you would have a cock-eyed cage for the child or bassinet if you had the frames that aren't parallel. There is a big difference between the two.

• • •

Thomas Fletcher Talbot—for Defendant—Cross

(228)

THOMAS FLETCHER TALBOT

The said witness, having been first duly sworn, testified as follows:

• • •

(237)

Cross examination by Mr. Kalish:

Q. Referring now to Exhibit 10 and Exhibit 51, to which you have been testifying, I ask you whether or not the drawstrings indicated, 15, in Figure 1 are indicated there? A. Right.

Q. I ask you whether they serve the same function as the drawstrings which I have my hand on now, these strings coming through the hole in Exhibit 51? A. The string, 15, serves the same function as the four strings you have your hand on.

Mr. Kalish: That is all, Your Honor.

Mr. Bader: You are excused.

(Witness excused.)

• • •

LIBRARY
SUPREME COURT, U. S.

Office-Supreme Court, U.S.
FILED
DEC 11 1969
JOHN F. DAVIS, CLERK

Supreme Court of the United States

October Term, 1969

No. 445

STANDARD INDUSTRIES, INC.,
Petitioner,

v.

TIGRETT INDUSTRIES, INC., *et al.*,
Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

PETITION FOR CERTIORARI FILED AUGUST 8, 1969
CERTIORARI GRANTED OCTOBER 27, 1969

PETITIONER'S BRIEF

MAXIMILIAN BADER,
I. WALTON BADER,
Attorneys for Petitioner,
274 Madison Avenue,
New York, N. Y., 10016.

INDEX

	PAGE
Opinions Below	1
Jurisdiction	2
Constitutional Provisions and Statutes Involved	2
Questions Presented for Review	3
Statement of the Case	4
Summary of Argument	7
ARGUMENT:	
POINT I.—Whether the Petitioner should be held liable for royalties with respect to sale of the "Golden Convertible" play pen purportedly made in accordance with the claims of United States Patent 3,162,865, when it is conceded that all claims of this patent require a limitation of "a pair of spaced openings" and when it is further conceded that the accused play pen contains only a single opening	8
POINT II.—Whether the "Doctrine of Equivalents" should be deemed to extend to a situation where the accused device is specifically outside of limited language in the claims of the patent involved	14
POINT III.—Whether in view of the cancellation by the Respondent during the course of the prosecution of the patent involved of claims similar in scope to a construction now urged subject to royalty payments, "File Wrapper Estoppel" is clearly present in this case	15

PAGE

POINT IV.—Whether, in view of the overruling of *Automatic Radio Manufacturing Co. v. Hazeltine Research, Inc.*, 339 U. S. 827 (1950) by this Court in *Lear v. Adkins*, 89 Sup. Ct. 1902 (1969), Petitioner should be permitted to contest the validity of the patent involved by being permitted to introduce evidence of prior art other than that cited by the Patent Office during the course of the prosecution of the application involved 17

POINT V. Whether United States Letters Patent 3,162,865 is valid 18

POINT VI.—Whether, in view of the automatic cancellation provisions of the underlying assignment of United States Letters Patent 2,790,978 and 3,162,865, the license agreement has become void by reason of a failure of consideration and no royalties are therefore payable 21

POINT VII. Whether Respondent should be required to refund to Petitioner royalties heretofore paid 24

CONCLUSION 24

Cases Cited

American Technical Machine Corp. v. Capezzuto, 2 Cir., 339 Fed. (2d) 567 (1964) 10

Automatic Radio Manufacturing Co. v. Hazeltine Research, Inc., 339 U. S. 827 (1950) 3, 9, 17

Bayside Flushing Gardens v. Bellemmino, 26 Fed. Supp. 706 (1944) 22

Beatty Safeway Scaffold, Inc. v. Skyable, 4 Cal. Rptr. 543

Berry Bros. Corp. v. Sigmon, 317 Fed. 2d 700 (1963)

Bigelow-Sanford Carpet Co. v. Missouri Furniture, Inc., 349 S. W. (2nd) 43

Bowser, Inc. v. Filters, Inc., 396 Fed. (2d) 296

Brewster v. Kable News Co., 262 App. Div. 894 (1941)

Catalin Corporation of America v. Catalazadi Mfg. Co., 2 Cir. 1935, 79 Fed. 2d 593

Criner v. Micro West Co., Inc., 139 Fed. (2d) 681 (1949)

Denominational Envelope Co. v. Duplex Envelope Co., 4 Cir. 1935, 80 Fed. 2d 186

Drake v. Hardman, 30 FRD 394 (1962)

Electrosonics International, Inc. v. Wurlitzer Co., 234 Fed. Supp. 943 (1964)

Graham v. John Deere Co., 383 U. S. 1 (1966)

Grover Tank & Mfg. Co., Inc. v. Linde Air Products Co., 339 U. S. 605 (1950)

Lear v. Adkins, 89 Sup. Ct. 1902 (1969)

Ling-Temco-Vought, Inc. v. Kollsman Instrument Co., 2nd Cir., 372 Fed. 2d 263 (1967)

Mason v. Electrol, Inc., 292 N. Y. 482, 55 N. E. (2nd) 745 (1944)

Maxon v. Maxon Construction Company, 395 Fed. 2nd 330 (1968)

N. [illegible] R. R. v. Comic Mfg. Co., [illegible]

PAGE

Noah v. L. Daitch & Co., 192 N. Y. S. (2nd) 380 (1959) 23

North Star Ice Equipment Co. v. Akshun Mfg. Co., 7th Cir., 301 Fed. 2d 882 (1962) 16

Power Curbers, Inc. v. E. D. Etnyre & Co., 4th Cir., 298 F. 2d 484 (1962) 15

Rooks v. Plavec, 188 N. E. (2nd) 251 23

SAAB v. Mergenthaler Linotype Co., 2 Cir., 410 Fed. (2d) 979 10

Schriber Co. v. Cleveland Trust Co., 311 U. S. 211 (1941) 10, 11, 16

Simmons Co. v. A. Brandwein & Co., 7th Cir., 250 Fed. 2d 440 (1958) 16

Skirow v. Roberts Colonial Horse, Inc., 361 Fed. 2d 336 (1968) 16

Union Carbide Corp. v. Grover Tank & Mfg. Co., 282 Fed. (2d) 653 (1960) 10

Valjean v. Perfection Stove Co., 6th Cir., 103 Fed. 2d 60 (1939) 16

Williams Bit & Tool Co. v. Christensen Diamond Products Co., 5th Cir., 399 Fed. 2d 628 (1968) 16

Zenith Radio Corp. v. Hazeltine Research, 395 U. S. 100 (1969) 5

Statutes Cited

Fifth Amendment to the Constitution 23

35 U. S. C. 103 ..... 3, 18, 19, 20

35 U. S. C. 112 13

Supreme Court of the United States

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC.,

Petitioner,

v.

TIGRETT INDUSTRIES, INC., *et al.*,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

PETITION FOR CERTIORARI FILED AUGUST 8, 1969
CERTIORARI GRANTED OCTOBER 27, 1969

PETITIONER'S BRIEF

This brief is submitted by Petitioner, on the merits, as provided by Rule 40 of the Rules of the Supreme Court of the United States.

Opinions Below

The United States District Court for the Western District of Tennessee on December 27, 1967, entered a memorandum decision awarding judgment in favor of the plaintiff for royalties as provided therein. This decision was not officially reported (Appendix Pages 37a through 46a). Appeal was taken by the Plaintiff to the United

States Court of Appeals for the Sixth Circuit, which Court on May 27, 1969, affirmed the decision of the District Court in all respects. This decision was officially reported in 411 Fed. (2nd) 1218, and appears on Pages 53a-9 through 53a-12 of the Appendix.

Petition for a Writ of Certiorari was filed by Petitioner on August 8, 1969, and this Petition was granted by this Court on October 27, 1969, and the case placed on the Summary Calendar of this Court.

Jurisdiction

Jurisdiction of the United States District Court was acquired in this case by reason of the diversity of citizenship of the parties hereto and by reason of the fact that the case involved the Patent Laws of the United States (Title 35 of the United States Code). The United States Court of Appeals for the Sixth Circuit acquired jurisdiction pursuant to the Appellate provisions set forth in the United States Code. A Writ of Certiorari was filed within three months from the determination of the United States Court of Appeals for the Sixth Circuit, pursuant to 28 U. S. C. 1254(1). All appeals were filed within the time provided for by law. There is no dispute with respect to the jurisdiction of the Courts involved or of the timeliness of all proceedings that have been taken.

Constitutional Provisions and Statutes Involved

This case involves the constitutional provisions with respect to the power of Congress to issue patents for inventions, and the statutory provisions with respect to the granting of patents contained in Title 35 of the United

States Code and in particular, 35 U. S. C. 103. The pertinent statutory provisions will be set forth in the body of this brief.

Questions Presented for Review

1. Whether the Petitioner should be held liable for royalties with respect to sales of the "Golden Convertible" play pen purportedly made in accordance with the claims of United States Patent 3,162,865, when it is conceded that all claims of this patent require a limitation of "a pair of spaced openings" and when it is further conceded that the accused play pen contains only a single opening.

2. Whether the "Doctrine of Equivalents" should be deemed to extend to a situation where the accused device is specifically outside of limiting language in the claims of the patent involved.

3. Whether, in view of the cancellation by the respondent during the course of the prosecution of the patent involved of claims similar in scope to a construction now urged subject to royalty payments, "file wrapper estoppel" is clearly present in this case.

4. Whether, in view of the overruling of *Automatic Radio Manufacturing Co. v. Hazeltine Research, Inc.*, 339 U. S. 827 (1950) by this Court in *Lear v. Adkins*, 89 Sup. Ct. 1902 (1969), Petitioner should be permitted to contest the validity of the patent involved by being permitted to introduce evidence of prior art other than that cited by the Patent Office during the course of prosecution of the application involved.

5. Whether United States Letters Patent 3,162,865 is valid.

6. Whether, in view of the automatic cancellation provisions of the underlying assignment of United States Letters Patent 2,790,978 and 3,162,865, the License Agreement has become void by reason of a failure of consideration and no royalties are therefore payable.

7. Whether Respondent should be required to refund to Petitioner royalties heretofore paid.

Statement of the Case

Pursuant to an agreement made in the State of New York and subject to the laws of the State of New York, on November 25, 1964, Respondent, Tigrett Industries, Inc., and Petitioner, Standard Industries, Inc., agreed to the following (Appendix 54a through 63a):

> "* * * 6. (c) That it will furnish good title to all the items being sold to Buyer, that it has the right to sell the same; that it will warrant the title to all the same to be free and clear of all encumbrances and liens of every kind; and that it will defend the title thereto against all claims whatsoever."
>
> * * *
>
> 16. (c) On Patent Application No. 124,668 dated July 16, 1961, issued July 25, 1964, [U. S. Patent 3,762,865 issued Dec. 29, 1964], to C. B. Whitlow, covering a mechanism for raising and lowering bed, Buyer is to receive an exclusive United States license for the full period of the patent on a basis of 3% of covered product sale price, plus an additional 2% of such sale price overriple to be paid to the Seller for a period of five years from the date of the closing of this sale, and no longer.
>
> * * *

17. CONDITIONAL PAYMENT. In the event that in any fiscal year during the five year period, beginning with the closing date of this sale, an amount calculated as five per cent of the net income before taxes, of the new operating company shall exceed the total amount paid in said fiscal year to the Seller as excess royalties, on a basis of 2% of sales as more specifically set out in paragraph 16, sections (c), (d) and (e) of paragraph 16 above; then, in such event for such fiscal year the Buyer shall pay to Seller the amount of such excess. . . ."

[Paragraph 17 is probably invalid based upon the recent decision of this Court in *Zenith Radio Corp. v. Hazeltine Research*, 395 U. S. 100 (1969). However, the Respondent has not relied upon this clause, and the business situation of the Petitioner does not presently make this clause applicable, so that it is believed that the Court need not burden itself with this phase of the problem at the present time.]

Patent Application Serial No. 124,668, at the time of the execution of the Agreement involved, was owned by the Respondent pursuant to an Assignment Agreement dated July 19, 1961, between one John Burton Tigrett and Tigrett Industries, Inc. The Agreement provided that it would be automatically terminated and cancelled in the event that Tigrett Industries, Inc. made an Assignment for the Benefit of Creditors.

On December 22, 1964, Tigrett Industries, Inc. assigned United States Letters Patent 3,162,865 to Petitioner, but with the following proviso:

"And the Jackson Furniture Corporation, the purchaser, agrees to abide by all the obligations, terms, and conditions of the seller herein, Tigrett Industries Inc., as more specifically set forth in an

agreement dated July 19, 1961, between John Burton Tigrett, of Jackson, Tennessee, and Tigrett Industries, Inc. Furthermore, as the further consideration of the transfer and sale of this patent to Jackson Furniture Corporation, in addition to the percentage payment of the purchase price for said patent to be paid pursuant to the agreement aforesaid to the said John Burton Tigrett, an individual, Jackson Furniture Corporation agrees to pay to Tigrett Industries, Inc., for a period of five (5) years, after the 21st day of December, 1964, an additional two (2%) per cent of the net selling price of all units sold, which units shall embody the use of this patented invention. 'The net selling price of all units sold' shall be the amount received by Jackson Furniture Corporation from the sale of such play pens without any deduction for discounts, commissions or selling expense. Credit may be given for returned goods. * * *" (Appendix 76a-77a).

On April 26, 1965, Tigrett Industries, Inc. made an Assignment for the Benefit of Creditors (Appendix 67a through 73a).

Petitioner paid royalties to the Respondent until the date of the aforesaid Assignment for the Benefit of Creditors and, subsequent to that time, contended that there was no further obligation for payment of royalties. In addition, Respondent contended that the "Golden Convertible" play pen was not within the terms of the Claims of United States Letters Patent 3,162,865. This patent had issued on December 29, 1964.

While Respondent made wild and unsupported claims during the course of the litigation below, the District

Court, in its Memorandum Decision (Appendix 37a through 46a) merely held the Petitioner liable for royalties on two play pens known as the "Play-A-Round" and the "Golden Convertible". Aside from the issue relative to the validity of the contract involved, the Petitioner is not, in this appeal, questioning the validity of United States Letters Patent 2,790,978 (which involves the "Play-A-Round" play pen), nor that the "Play-A-Round" play pen is covered by United States Letters Patent 2,790,950. Petitioner does contend that United States Letters Patent 3,162,865 is invalid, and further, that the "Golden Convertible" play pen is not covered by any of the claims of the said patent.

The determination of the District Court was in all respects affirmed by the United States Court of Appeals for the Sixth Circuit (Appendix 53a-9 through 53a-11), and this Court granted Certiorari to consider the questions involved.

Summary of Argument

The Petitioner submits that the holding of the Courts below to the effect that the Petitioner was required to pay royalties upon the "Golden Convertible" play pen as a "covered product" under one or more of the claims of United States Patent 3,162,865 is erroneous for the following reasons:

1. All claims of United States Letters Patent 3,162,865 call for "a pair of spaced openings" while the accused device of Petitioner contains only a single opening. The limitation of "a pair of spaced openings" was inserted in the application which matured into the patent involved during the prosecution thereof to avoid a rejection by the Patent Office Examiner. It is immaterial whether this rejection was "right" or "wrong".

2. Based upon the criteria for patentability, United States Letters Patent 3,162,865 is invalid since the subject matter thereof could not be held to be "non-obvious" in view of similar devices made by others prior to the filing of the application which matured into the patent involved.

3. The original agreement providing for the payment of royalties became void as the time Tigrett Industries, Inc. made an Assignment for the Benefit of Creditors, since title of the patent in the said Tigrett Industries ceased upon that event.

4. Petitioner should be entitled to a refund of royalties paid from the issue date of United States Patent 3,162,865 since this patent is clearly invalid.

ARGUMENT

POINT I

Whether the Petitioner should be held liable for royalties with respect to sales of the "Golden Convertible" play pen purportedly made in accordance with the claims of United States Patent 3,162,865, when it is conceded that all claims of this patent require a limitation of "a pair of spaced openings" and when it is further conceded that the accused play pen contains only a single opening.

United States Patent 3,162,865 contains two claims and each of the claims recite the limitation of "a pair of spaced openings" within the base plate and that drawstrings are threaded upwardly through the openings in the base plate." (Appendix 12-13). It is further clear that

the accused play pen has merely a *single spacing* (Appendix 122a). Respondent's own expert finally conceded this on Page 146a of the record when he stated as follows:

> "Q. Now, what does spaced mean? A. Spaced means that they are separated.
>
> Q. And if they were together, they would not be fringe, would they? A. They wouldn't be spaced, right."

The prior law with respect to license agreements before the decision of this Court in *Lear v. Adkins*, *supra*, has been that where a licensee agrees to pay royalties on articles covered by a patent, the articles involved must come within the scope of at least one of the claims of a patent. [*Morton v. Rayon Construction Company*, 395 Fed. 2nd 339 (1968)].

However, prior to the said decision of this Court in *Lear v. Adkins*, *supra*, the Court determined in *Automatic Radio Manufacturing Co. v. Hazeltine Research, Inc.*, *supra*, that a licensee was estopped from questioning the validity of the patent. Therefore, in the courts below, (*Lear v. Adkins* having not been decided until after the decision of the United States Court of Appeals for the Sixth Circuit), the Petitioner could only claim that the accused device was not within the scope of any of the claims of the licensed patent.

The prior law was set forth in *Automatic Radio Manufacturing Company*, *supra*, by the Court of the Sixth Circuit and binding upon the United States District Court for the Western District of Tennessee at Jackson.

> "At the request of Hazeltine the court ruled that the validity of Mayes' patents was not in issue [sic]. The decision to control the course of the litigation [sic] as to the question of validity is the *Automatic Radio*

> *Scale Co. v. Automatic Scale Co.*, 204 U. S. 609, 620, 621; cf. in case of disclaimer *Altoona Public Theatres, Inc. v. Tri-Ergon Corp.*, 294 U. S. 477, 492, 493. * * * *"*

In the prosecution of the patent involved, the original application contained Claims 1 through 7. Some of these claims, which were previously cancelled, would have read on the present "Golden Convertbile" play pen. The limitation of a "pair of spaced openings" was added in newly presented Claim 8 (Appendix 97a). As a matter of fact, in the applicant's remarks, the applicant specifically called attention to "openings in the base plate", as constituting one of the features which, as the applicant said, "seek to define in more definite fashion the especial advance made in the art by applicant."

The doctrine of equivalents was subsequently considered by this Court in *Grover Tank & Mfg. Co., Inc. v. Linde Air Products Co.*, 339 U. S. 605 (1950). In that case, while the Court found equivalency to be present, the doctrine was further limited by reason of the prior art references. On Page 609 of the opinion, the Court held, as follows:

> *"* * * What constitutes equivalency must be determined against the context of the patent, the prior art, and the particular substances of the case. * * *"*

The doctrine was further limited by this Court in *Graham v. John Deere Co.*, 383 U. S. 1 (1966) where the Court held that equivalence is dependent upon the scope of the prior art and where the invention constitutes a very narrow improvement in a very crowded art, the scope of equivalents to be given must be extremely narrow.

Within the context of the law with respect to the doctrine of equivalents, *as it presently stands*, it is clear that the "pair of spaced openings" recited in the claims of the United States Letters Patent 3,162,865, is clearly not an "equivalent" of the *single opening* utilized in the base plate of the "accused" structure. However, at this point, the Petitioner urges upon the Court that the so-called "doctrine of equivalents" no longer has any place in patent law and that a patent should be read specifically in connection with the specific terms of the claims. In taking this position, the Petitioner points out that the Patent Act of 1952 contains Section 112 (35 U. S. C. 112), which reads, in part, as follows:

> "An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof."

Therefore, all that a patentee need do, in a situation of this type, would be to place within his claim the term "passing means" in order to refer to the opening within the base plate. Therefore, it is submitted, that to permit a patentee to recite specific structure such as, for example, "a pair of spaced openings" and then be permitted to amend this in suit to cover a single opening should, it is submitted, not be permitted. Persons dealing with patents should be entitled to rely upon the scope of a written claim and should not be subjected to infringement litigation which permit patentees to claim that an "accused" structure is "an equivalent" of structure not specifically contained within a claim. Technology and progress, it is submitted, would be materially advanced by the expression of a doctrine of the type proposed herein.

POINT II

Whether the "Doctrine of Equivalents" should be deemed to extend to a situation where the accused device is specifically outside of limited language in the claims of the patent involved.

It is clear, from the record, that the limitation of "a pair of spaced openings" was placed within the claims deliberately by the applicant in order to secure allowance of the application. It is noted that original Claim 4 of the application which matured into the patent involved, did not contain this limitation and was rejected by the Examiner upon the patent to Adamson in view of the patent to May. The Examiner, in rejecting this broader claim, stated the following:

> "* * * To provide holes in Adamson's floor member 27 so that his drawstring 32 could be threaded therethru to thereby be more easily actuated would be an obvious extension of the teaching of May et al. (strings 21). * * *"

Since the limitation of "a pair of spaced openings" was deliberately put into the application by the applicant to avoid a rejection by the Examiner, it is clear that the "Doctrine of Equivalents" has no application.

The District Court and the Court of Appeals apparently took the position that the Examiner's original rejection of the broader claim was "wrong". This appears in the opinion of the District Judge (Appendix 45a), as follows:

> "* * * In any event, we are satisfied that there is nothing in the history of the prosecution of this patent vis-a-vis particularly the Adamson patent that prevents plaintiffs from contending here that

> the single opening in defendant's base plate is the equivalent of the two spaced openings called for by Claim 1 of this patent. * * *"

However, the rule, as illustrated in *Berry Bros. Corp. v. Sigmon*, 2 Cir., 317 Fed. 2d 700 (1963), holds to the contrary. As the Court stated, on page 706 of the Opinion, the following sets forth the rule of law with respect thereto:

> "* * * Whether the Examiners were right or wrong in their insistence on the amendment is immaterial. A patentee, having deliberately taken a position in the Patent Office proceedings to induce the grant of the patent to him, is not thereafter permitted to repudiate that position. This is what is meant by file wrapper estoppel. * * *"

See also *Power Curbers, Inc. v. E. D. Etnyre & Co.*, 4th Cir., 298 F. 2d 484 (1962).

POINT III

Whether, in view of the cancellation by the Respondent during the course of the prosecution of the patent involved of claims similar in scope to a construction now urged subject to royalty payments, "File Wrapper Estoppel" is clearly present in this case.

In "Point II", *supra*, the Petitioner took the position that the "Doctrine of Equivalents" had no bearing upon the position in this case because of the deliberate insertion of the limitation of "two spaced openings" during the prosecution of the application which matured into the patent involved. However, even if the "Doctrine of Equivalents" were available in this case and even if "two

spaced openings" were the actual equivalent of a single opening, the respondent would still not prevail in this suit because of the clear "file wrapper estoppel" present.

As set forth in *Williams Bit & Tool Co. v. Christensen Diamond Products Co.*, 5th Cir., 399 Fed. 2d 628 (1968), if the language of the claim, selected in order to meet Patent Office objections, contains a limitation, a patentee cannot thereafter, after the patent issues, claim that a construction which does not fall within the limiting-language of the claim will infringe.

As the Court said, on Page 634 of the Opinion:

> "* * * For it is the language of the claim, as amended to meet the Patent Office's objections, and not the argument of the applicant's patent attorney in support of it, which is controlling as to the existence of an estoppel. * * *".

See also, *Catalin Corporation of America v. Catalazali Mfg. Co.*, 2 Cir. 1935, 79 Fed. 2d 593, 594; *Denominational Envelope Co. v. Duplex Envelope Co.*, 4 Cir. 1935, 80 Fed. 2d 186, 192-193.

There are many other cases setting forth the general rule that where a claim is amended to meet Patent Office objections and the amendment contains a limitation, a patentee may not, thereafter, assert that a construction not containing the limitation constitutes an infringement under the "Doctrine of Equivalents". See, for example, *North Star Ice Equipment Co. v. Alaska Mfg. Co.*, 7th Cir., 301 Fed. 2d 882 (1962); *Long-Torco Tonglt Inc. v. Kollsman Instrument Co.*, 2nd Cir., 372 Fed. 2d 263 (1967); *Stamicus Co. v. A. Braghieria & Co.*, 7th Cir., 250 Fed. 2d 140 (1958); *Valpeau v. Perfection Stair Co.*, 6th Cir., 103 Fed. 2d 60 (1939); *Skinner v. Ribbits Colonial Hoist, Inc.*, 361 Fed. 2d 336 (1968); *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U. S. 211.

Therefore, in the case at bar, aside from any of the other issues, the prosecution history of the application which matured into United States Letters Patent 3,162,865 prevents the respondent from claiming that petitioner's construction, which does not contain *a pair of aligned openings*, is a construction which constitutes a "covered product" under the license agreement involved herein.

POINT IV

Whether, in view of the overruling of *Automatic Radio Manufacturing Co. v. Hazeltine Research, Inc.*, 339 U. S. 827 (1950) by this Court in *Lear v. Adkins*, 89 Sup. Ct. 1902 (1969), Petitioner should be permitted to contest the validity of the patent involved by being permitted to introduce evidence of prior art other than that cited by the Patent Office during the course of the prosecution of the application involved.

At the trial of this case, since the rule with respect to a licensee contesting the validity of a patent under which he was licensed was enunciated in *Automatic Radio Manufacturing Co. v. Hazeltine Research, Inc.*, *supra*, and this case was cited with approval by the United States Court of Appeals for the Fifth Circuit in *Hogan v. Harris Construction Co.*, *supra*, the Petitioner could not contest the validity of United States Letters Patent 3,162,865 and could only contend that the product that it was making and selling (the "Golden Convertible") did not come within the scope of any claim of the patent involved. For this reason, additional prior art, not cited by the Examiner, during the prosecution of the application which matured into the patent in suit, was not introduced by the Petitioner. This Court, in *Lear v. Adkins*, *supra*, has now overruled *Automatic Radio Co.* case, and presently this

licensee can always contest the validity of the patent under which he is licensed. However, by reason of the prior law, the Petitioner did not introduce significant prior art which would have clearly shown the invalidity of United States Letters Patent 3,162,865. While Petitioner contends that, even based upon the prior art references cited by the Patent Office Examiner, United States Letters Patent 3,162,865 is invalid, nevertheless, if this Court should disagree with this position, it is submitted that Petitioner should be entitled to a new trial wherein such evidence of invalidity would be asserted.

POINT V

Whether United States Letters Patent 3,162,865 is valid.

draw strings upwardly through an opening in the base plate of a play pen otherwise identical with the play pen of the prior art does not constitute "non-obvious subject matter". This is a requirement for patentability under 35 U. S. C. 103, which reads as follows:

> "103. *Conditions for patentability; non-obvious subject matter*
>
> A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains."

This Court, in the recently decided case of *Graham v. John Deere Co.*, 383 U. S. 1, set forth the rules now applicable to determining patentability of inventions. These rules are set forth on page 15 of the Opinion of the Court as follows:

> "Against this background the statutory and judicial conditions, which followed, will permit a more practical test of patentability. The emphasis on novelty centers on the requirement, not of newness, but of invention, and, as such, comports with the constitutional standard.
>
> While the ultimate question of patent validity is one of law, *United States v. Adams*, 383 U. S. 39, 50, the 103 condition, which is but a codification of judicial precedents, lends itself to several basic factual inquiries. Under 103, the scope and content of the prior art are to be determined; differences between the prior

PATENT NO.

Whereas, in view of the automatic cancellation provisions of the underlying assignment of United States Letters Patent 2,790,978 and 3,062,866, the license agreement has become void by reason of a failure of consideration and no royalties are therefore payable.

POINT VII

Whether Respondent should be required to refund to Petitioner royalties heretofore paid.

Prior to the cancellation of the underlying agreement by reason of the Assignment for the Benefit of Creditors by Tigrett Industries, Inc., the Petitioner paid royalties to the Respondent. If this Court holds that the "Golden Convertible" does not fall within the terms of any of the claims of United States Letters Patent 3,162,865, or that United States Letters Patent 3,162,865 is invalid, then, it is submitted, there has been a failure of consideration with respect to the royalties already paid by Petitioner.

This Court, it is submitted, ought to remand this case to the District Court for a determination of the amount of royalties paid so that the Petitioner can obtain a refund thereof.

CONCLUSION

The determination of the United States Court of Appeals for the Sixth Circuit should be in all respects reversed.

Respectfully submitted,

MAXIMILIAN BADER,
I. WALTON BADER,
Attorneys for Petitioner,
274 Madison Avenue,
New York, N. Y. 10016.

SUPREME COURT, U. S.

FILED

JAN 12 1970

JOHN F. DAVIS, CLERK

No. 445

In the Supreme Court of the United States

OCTOBER TERM, 1969

STANDARD INDUSTRIES, INC., PETITIONER

v.

TIGRETT INDUSTRIES, INC., ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

BRIEF FOR UNITED STATES AS AMICUS CURIAE

ERWIN N. GRISWOLD,
Solicitor General,
RICHARD W. McLAREN,
Assistant Attorney General,
LAWRENCE G. WALLACE
Assistant to the Solicitor General,
RICHARD H. STERN,
SUSAN EHRINGHAUS,
Attorneys,
Department of Justice,
Washington, D.C. 20530.

INDEX

	Page
Opinions below	1
Jurisdiction	1
Question presented	2
Interest of the United States	2
Statement	3
Introduction and summary of argument	5
Argument	7
I. The doctrine of equivalents conflicts with the dominant policies of the federal patent system	7
A. The statutory requirement of precise claiming is designed to safeguard the public from unjustified assertions of monopoly power	8
B. The doctrine of equivalents is inconsistent with the purposes of the statutory requirement of precise claiming	10
II. The rights of patentees would adequately be protected without retention of the doctrine of equivalents	18
Conclusion	22

CITATIONS

Cases:

Advance Rumley Mfg. Co. v. *John Lauson Co.*, 275 Fed. 249 20

American Chemical Paint Co. v. *Firestone Steel Prod. Co.*, 117 F. 2d 927 20

Aro Mfg. Co. v. *Convertible Top Co.*, 365 U.S. 336 10, 14, 16, 17, 18

Autogiro v. *United States*, 384 F. 2d 391 20

373-202—70——1

Cases—Continued

	Page
Brenner v. *Manson*, 383 U.S. 519	14, 16
Burr v. *Duryee*, 1 Wall. 531	12
Butler, In re, 37 F. 2d 623	20
Chicago Steel Foundry Co. v. *Burnside Steel Foundry Co.*, 132 F. 2d 812	9
Claude Neon Lights v. *E. Machlett & Son*, 36 F. 2d 574	13, 21
Compco Corp. v. *Day-Brite Lighting Inc.*, 376 U.S. 234	13
Evans v. *Eaton*, 3 Wheat. 454	12
Frick Co. v. *Lindsay*, 27 F. 2d 59	18
General Electric Co. v. *Wabash Appliance Corp.*, 304 U.S. 364	9
Graham v. *John Deere Co.*, 383 U.S. 1	5, 13, 15, 21
Graver Tank & Mfg. Co. v. *Linde Air Products Co.*, 339 U.S. 605	6, 11, 12, 16, 17, 18
Halliburton Co. v. *Walker*, 329 U.S. 1	8, 19
Hogg v. *Emerson*, 6 How. 436	12
Incandescent Lamp Patent, 159 U.S. 465	20
James P. Marsh Corp. v. *United States Gauge Co.*, 129 F. 2d 161	9
Keith v. *Charles E. Hires Co.*, 116 F. 2d 46	18
Keystone Bridge Co. v. *Phoenix Iron Co.*, 95 U.S. 274	10, 21
Lear, Inc. v. *Adkins*, 395 U.S. 653	5, 6, 15, 21
Marconi Wireless Co. v. *United States*, 320 U.S. 1	10
McKee, In re, 95 F. 2d 267	20
Milcor Steel Co. v. *Fuller Co.*, 316 U.S. 143	10
Minerals Separation v. *Butte Mining Co.*, 250 U.S. 336	10
O'Reilly v. *Morse*, 15 How. 62	20
Pemco Products, Inc. v. *General Mills, Inc.*, 261 F. 2d 302	20

Cases—Continued

	Page
Sanitary Refrigerator Co. v. *Winter*, 280 U.S. 30	11
Schechter, Application of, 205 F. 2d 185	20
Sears, Roebuck & Co. v. *Stiffel Co.*, 376 U.S. 225	5, 15
Smith v. *Magic City Kennel Club, Inc.*, 282 U.S. 784	15
Sontag Stores Co., v. *Nut Co.*, 310 U.S. 281	10
Sperry v. *Florida*, 373 U.S. 379	16
Steenbock, In re, 83 F. 2d 912	20
Stuart Oxygen Co. v. *Josephian*, 162 F. 2d 857	20
United Carbon Co. v. *Binney Co.*, 317 U.S. 228	14
United States v. *Masonite Corp.*, 316 U.S. 265	13
Universal Oil Products Co. v. *Globe Oil & Refining Co.*, 322 U.S. 471	7, 10
White v. *Dunbar*, 119 U.S. 47	8
Wigans v. *Denmead*, 15 How. 330	12
Constitution and Statutes:	
Constitution, Art. I, §8, cl. 8	7
5 Stat. 117	12
16 Stat. 201	8
Rev. Stat. §4888 (1875), as amended, 38 Stat. 958, 35 U.S.C. 33	8
35 U.S.C. 101	8
35 U.S.C. 102	8
35 U.S.C. 103	8
35 U.S.C. 112	8, 10, 19
35 U.S.C. 251	18, 21
35 U.S.C. 252	21
The Statute of Monopolies, 21 Jac. I, c. 3	13

In the Supreme Court of the United States

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC., PETITIONER

v.

TIGRETT INDUSTRIES, INC., ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

BRIEF FOR UNITED STATES AS AMICUS CURIAE

OPINIONS BELOW

The opinion of the United States District Court for the Western District of Tennessee (App. 37a–46a; 162 U.S.P.Q. 32)[1] is not officially reported. The court of appeals' opinion (App. 53a9–53a11) is reported at 411 F. 2d 1218.

JURISDICTION

The judgment of the court of appeals was entered on May 27, 1969. The petition for a writ of certiorari was filed on August 8, 1969, and was granted on October 27, 1969. The jurisdiction of this Court rests on 28 U.S.C. 1254(1).

[1] "App." refers to the Appendix filed by the petitioner in this Court.

QUESTION PRESENTED

The United States will discuss the following question, which is fairly comprehended within Point III of the petition and Question 2 of petitioner's brief on the merits:

Whether the judicially-created doctrine of equivalents, applied by the courts below, conflicts with basic policies of the federal patent system and should therefore be rejected or fundamentally revised as a standard of patent infringement.[2]

INTEREST OF THE UNITED STATES

The doctrine of equivalents permits a patent owner to enforce monopoly power over devices related to the subject of his patent even though not expressly within the scope of the claims of his patent and, therefore, not within the scope of the limited monopoly to which the Patent Office has ruled he is entitled. The result is to leave the patent owner's competitors and the general public uncertain as to the boundary between permissible enterprise and impermissible infringment, thus hindering the creative enterprise of both. We believe that this result is contrary to the balance achieved in the Constitution and the patent statutes between the general social and economic policy favoring free competition and the policy of granting a limited reward to inventors in order to promote the progress of science and the useful arts. Indeed, we believe that the

[2] The United States intimates no view with respect to the parties' contentions on other questions not discussed in this brief.

doctrine of equivalents, as it has been judicially developed, hinders, rather than promotes, the technological progress that is the goal of the system. The importance of the issue to the national economy and to the proper functioning of the federal patent system has led the United States to file this brief *amicus curiae*.

STATEMENT

The principal facts relevant to the equivalents issue are set out in the opinions of the district court (App. 37a–46a) and of the court of appeals (App. 53a9–53a12). Respondent John B. Tigrett licensed respondent Tigrett Industries, Inc., to use his patent (U.S. Patent No. 3,162,865) on a children's play pen in return for continuing royalties (App. 41a–43a, 53a10). Petitioner succeeded to this license by assignment (App. 42a, 54a–63a). Under the assignment agreement, petitioner was obligated to pay royalties to the respondents on "covered products" that petitioner manufactured utilizing the patent (App. 62a). Petitioner subsequently refused to pay royalties on certain play pens it produced, contending that they were not "covered products" within the scope of the patent grant (App. 41a–44a, 53a10). Respondents then brought this suit against petitioner for royalties allegedly due.

Claim One of the patent reads as follows:

> An article of infant furniture comprising a top frame member, a base plate, a flexible netting having a general tubular form suspended from said top frame member, and extending

> downwardly for receiving the said base plate and presenting same in normal planar relation to the axis of said tubular netting, said netting at its lower end extending inwardly beneath said base plate, drawstrings engaged to the lower end edge of said netting beneath said base plate, *said base plate having a pair of spaced openings,* said drawstrings being threaded upwardly through said openings in said base plate and being mutually fixedly engaged above said base plate for providing a grip for convenient manipulation for said netting to elevate said base plate by upward pulling on said grip, a bottom frame member in planar parallel relation to said top frame member and disposed below said base plate for support thereof, legs engaged at their upper ends to said top frame member and extending downwardly therefrom, and means for engaging said bottom frame member to said legs [Emphasis supplied].

Petitioner's main contention was that the play pen in question was not within Claim One of the patent because its base plate had only a single opening instead of "a pair of spaced openings" as specifically described in the Claim (App. 44a).

The district court held that petitioner's play pen was covered by the patent, notwithstanding the difference in structure. It ruled that the doctrine of equivalents was "applicable here because the two structures work in substantially the same way and with the same result" (App. 44a). Accordingly, the court held that respondents were entitled to recover the unpaid royalties (App. 45a–46a).

In a *per curiam* opinion, the court of appeals affirmed the district court's decision (App. 53a9–53a11).

INTRODUCTION AND SUMMARY OF ARGUMENT

Patent monopolies are narrowly delimited exceptions to the competitive free-enterprise system.[3] The Patent Clause of the Constitution and the patent statutes carefully restrict the scope of patent monopolies and the method by which they may be achieved, so as to allow and encourage the exploitation of science and the useful arts by the public. The doctrine of equivalents undermines this policy by permitting judicial expansion of patent monopolies beyond the scope granted by the Patent Office and upheld as valid in the judicial proceedings themselves—since both issuance and validity are, in accordance with the statutory scheme, determined on the basis of the patentee's claims, but the doctrine of equivalents has not been so limited. By thus broadening the area foreclosed from public use by a patent, the doctrine discourages inventive efforts and commercial enterprise by the patentee's competitors and confers competitive advantage on the patentee in contravention of statutory requirements.

This case presents an appropriate occasion for reexamination by this Court of the validity of the doctrine of equivalents. Although the Court sustained

[3] See, *e.g.*, *Lear, Inc.* v. *Adkins*, 395 U.S. 653, 663; *Graham* v. *John Deere Co.*, 383 U.S. 1, 5–6; *Sears, Roebuck & Co.* v. *Stiffel Co.*, 376 U.S. 225, 229–231.

373-202—70——2

the doctrine twenty years ago in *Graver Tank & Mfg. Co.* v. *Linde Air Products Co.*, 339 U.S. 605, that decision failed to give adequate weight to the statutory changes which have occurred since the doctrine's origins, and is antithetical to federal patent policy as articulated by this Court in important, more recent decisions. Since the holding of the courts below that petitioner infringed[4] respondent's patent is dependent upon the validity of the principles of *Graver*, and since petitioner has broadly challenged the application here of the equivalents doctrine at every stage of the proceedings (cf. *Lear, Inc.* v. *Adkins, supra*, 395 U.S. at 662 n. 10), the occasion is appropriate for this Court to reconsider the premises of the *Graver* decision.

We shall show first that the doctrine of equivalents, as presently interpreted, subverts the federal patent policy defined by the Constitution, the patent statutes and decisions of this Court. We shall then show that the legitimate rights of patentholders can adequately be protected by the courts and by administrative procedures provided for by statute, without resort to judicial expansion of patent monopolies through use of the equivalents doctrine. Our conclusion is that rejection of the doctrine, in favor of a test of infringement more specifically focused on the patentees' claims, would properly vindicate federal patent policy without hindering appropriate equitable adjustment of any conflict between the patentees' rights and the public

---

[4] Although petitioner is in effect a licensee, the parties agreed in the district court that the issue was essentially the same as infringement (App. 43a).

interest in encouraging competition and furthering technological progress.

ARGUMENT

I

THE DOCTRINE OF EQUIVALENTS CONFLICTS WITH THE DOMINANT POLICIES OF THE FEDERAL PATENT SYSTEM

The Patent Clause of the Constitution authorizes Congress "To promote the Progress of Science and useful Arts, by securing for limited Times to * * * Inventors the exclusive Right to their * * * Discoveries." Art. I, § 8, cl. 8. The statutory system devised to give effect to the Patent Clause reflects congressional balancing, on the one hand, of an interest in conferring a competitive advantage on inventors in order to encourage and reward invention and disclosure thereof, with, on the other hand, the more pervasive policies of fostering competition and encouraging the economic exploitation of knowledge and technology by the public. In *Universal Oil Products Co.* v. *Globe Oil & Refining Co.*, 322 U.S. 471, 484, this Court explained the reasoning underlying the statutory scheme as follows:

> As a reward for inventions and to encourage their disclosure, the United States offers a seventeen-year monopoly to an inventor, who refrains from keeping his invention a trade secret. But the *quid pro quo* is disclosure of a process or device in sufficient detail to enable one skilled in the art to practice the invention once the period of the monopoly has expired: and the same precision of disclosure is likewise

essential to warn the industry concerned of the precise scope of the monopoly asserted.

Congress has defined in detail the conditions that must be met to warrant the grant of a patent monopoly as a carefully-limited departure from the competitive norm. First, a patent may be granted only to one who invents or discovers a new and useful product or process (35 U.S.C. 101). Second, a patent grant is prohibited if the alleged invention had previously been known or used by another (35 U.S.C. 102). Third, the subject matter must not be obvious to those skilled in the art (35 U.S.C. 103). And, of principal importance in the present context, the inventor must fully define and explain the product or process he claims as his invention. That is, the invention and its use must be described in such "full, clear, concise, and exact terms" that the public is taught how to make and use it; moreover, the subject matter of the invention must be particularly pointed out and distinctly claimed in the patent claims (35 U.S.C. 112).

[illegible] THE STATUTORY REQUIREMENT OF PRECISE CLAIMING IS DESIGNED [illegible] THE PUBLIC FROM UNFOUNDED ASSERTIONS OF [illegible] POWER.

"The requirement of specificity in Section 112 and its predecessors serves a dual policy—to insure defi-

---

16 Stat. 201 (1870); Rev. Stat. 4888 (1878), as amended, 38 Stat. 958 (1915); 35 U.S.C. 33 (1946). For an example of judicial enforcement of this statutory requirement, see *Hallibur-ton Co. v. Walker*, 329 U.S. 1. And see *White v. Dunbar*, 119 U.S. 47, 51–52.

cation of the invention to the public at the expiration of the statutory monopoly period and to notify the public of the boundaries of the monopoly during its life so that the patentee's competitors may distinguish between impermissible infringement and permissible enterprise. This Court explained these policies in *General Electric Co.* v. *Wabash Appliance Corp.*, 304 U.S. 364, 369:

> The limits of a patent must be known for the protection of the patentee, the encouragement of the inventive genius of others and assurance that the subject of the patent will be dedicated ultimately to the public. The statute seeks to guard against unreasonable advantages to the patentee and disadvantages to others arising from uncertainty as to their rights. The inventor must "inform the public during the life of the patent of the limits of the monopoly asserted, so that it may be known which features may be safely used or manufactured without a license and which may not."

Accordingly, by relying on the description of the invention disclosed in the patent claims, competitors are free to "invent around" the claimed subject matter of the patent in order to compete technologically with the patentee without the burden of royalty payments. Competition in innovation is thus encouraged notwithstanding the governmental grant of a monopoly to the patentee.

---

[1] See *Chicago Steel Foundry Co.* v. *Burnside Steel Foundry Co.*, 132 F. 2d 812, 816 (C.A. 7); *James P. Marsh Corp.* v. *United States Gauge Co.*, 129 F. 2d 161, 165 (C.A. 7).

Consistent with the mandate of Section 112 for precise claims is the basic tenet of the federal patent system that the patent claims are the sole measure of the scope of the monopoly granted. *Aro Mfg. Co. v. Convertible Top Co.* ("*Aro I*"), 365 U.S. 336, 339–340; *Universal Oil Products Co. v. Globe Oil & Refining Co.*, *supra*, 322 U.S. at 484.[1] In *Universal Oil Products* this Court stated the reason for the rule as follows: "The claim is the measure of the grant. * * * The claim is required to be specific for the very purpose of protecting the public against extension of the scope of the patent." 322 U.S. at 484–485. The Court emphasized that the claims serve as a warning to the industry concerned of the scope of the patent monopoly (*id.* at 484) so that competitors' reliance on the claims is protected and encouraged.

It follows that whatever is not specifically claimed in a patent is dedicated or renounced to the public. *Marconi Wireless Co. v. United States*, 320 U.S. 1, 23; *Sinclair Stoves Co. v. Vat Co.*, 310 U.S. 281, 289–290; *Minerals Separation v. Butte Mining Co.*, *supra*, 250 U.S. at 347. "[P]atentees cannot show that their invention is broader than the terms of their claim; or if broader, they must be held to have surrendered the surplus to the public" (*Keystone Bridge Co. v. Phoenix Iron Co.*, 95 U.S. 274, 278).

B. THE DOCTRINE OF EQUIVALENTS IS INCONSISTENT WITH THE PURPOSES OF THE STATUTORY REQUIREMENT OF PRECISE CLAIMING

The judicially-created doctrine of equivalents runs counter to the statutory requirement that the subject

---

[1] See, also, *Milton Steel Co. v. Fuller Co.*, 316 U.S. 143; *Minerals Separation v. Butte Mining Co.*, 256 U.S. 336.

of a patent be precisely defined in the patent claims. Under the doctrine of equivalents, a device not covered by the claims of a patent may nevertheless fall within the patent monopoly if a court concludes that the allegedly infringing device "performs substantially the same function in substantially the same way to obtain the same result." *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 339 U.S. 605, 608 (quoting *Sanitary Refrigerator Co. v. Winter*, 280 U.S. 30, 42). The Court in *Graver* further explained (339 U.S. at 608): "The theory on which [the doctrine] is founded is that 'if two devices do the same work in substantially the same way, and accomplish substantially the same result, they are the same, even though they differ in name, form, or shape.' *Machine Co. v. Murphy*, 97 U.S. 120, 125."

As a standard for judicial determination of infringement, therefore, the doctrine puts in issue a range of inquiry that goes far beyond the terms of the claim, for "'[w]hat constitutes equivalency must be determined against the context of the patent, the prior art, and the particular circumstances of the case'" *Graver*, 339 U.S. at 609). Indeed, the *Graver* opinion further specifies (339 U.S. at 609) that "'[a]n important factor is whether persons reasonably skilled in the art would have known of the interchangeability of an ingredient not contained in the patent with one that was'"—so that the inquiry under the equivalents doctrine tends to approximate a consideration of whether, in light of the teachings of the patent, the allegedly infringing device was sufficiently obvious to

one skilled in the technology to preclude its own patentability. As formulated by this Court, therefore, the doctrine of equivalents authorizes judicial expansion of patent monopolies significantly beyond the dimensions granted by the Patent Office or upheld as valid in judicial review of the grant—since both the administrative issuance of patents and the determination of patent validity are focused on the patentee's claims, rather than on the broad range of "equivalents" which might also be foreclosed by the patent.

If the equivalents doctrine thus seems surprisingly incompatible with the principle that the claims are the sole measure of the monopoly granted and with the statutory requirements of definitive claiming and of expert administrative issuance of patent monopolies (as well as with other aspects of the statutory scheme, see *infra*, pp. 19–22), the explanation is probably historical. As the Court noted in *Graver* (339 U.S. at 608), the doctrine originated in this Court's closely divided 1854 decision in *Winans* v. *Denmead*, 15 How. 330. The Court in *Graver* failed to note, however, that *Winans* was decided under the significantly different statutory scheme of the 1836 patent law, which did not require specificity in claiming (see 5 Stat. 117)—and was decided more than a half century before the enact-

---

For examples of the difficulties in determining infringement in cases involving patents with vaguely worded claims during this early period (difficulties which undoubtedly contributed to judicial evolvement of the equivalents doctrine), see *Evans* v. *Eaton*, 3 Wheat. 454, 456–461 (note *a*); *Hogg* v. *Emerson*, 6 How. 436, 438–441; *Burr* v. *Duryee*, 1 Wall. 531, 542–545, 547–548, 567–568.

ment of the first federal antitrust laws, which added a new dimension to the interpretation of patent statutes by making it clear that they provide for only a narrowly delimited exception to the dominant federal policy favoring competition (see p. 5 and n. 3, *supra;* cf. The Statute of Monopolies, 21 Jac. I, c. 3). Such considerations are perceptively reflected in an opinion in which Judge Learned Hand recognized forty years ago that the *Winans* doctrine of equivalents had become an anachronism difficult to reconcile with subsequent statutory mandates (*Claude Neon Lights* v. *E. Machlett & Son*, 36 F. 2d 574, 575 (C.A. 2)):

> [The doctrine of equivalents was based] upon the theory that the claim was not intended to be verbally definitive, but to cover the "invention" which should, to some extent anyway, be gathered from the disclosure at large.
>
> It is plain that such latitude violates in theory the underlying and necessary principle that the disclosure is open to the public save as the claim forbids, and that it is the claim and that alone which measures the monopoly. * * *

Not only do the premises of the equivalents doctrine contradict fundamental principles of the statutory patent system, but the doctrine's economic impact tends to undermine the paramount public interest in competitive technological advancement reflected in that system. That public interest, and not private reward, is the dominant factor to be considered in adjusting conflicts over the scope of patent

monopolies. *Graham* v. *John Deere Co., supra.*[9] Vindication of this important public interest is dependent upon the statutory policy that the boundaries of the patent must be clearly delineated so that rivals of the patentee or newcomers to the field (1) may so adjust and conduct their business operations as to avoid undesired infringement of the grant, and (2) are encouraged to develop alternative technology by "inventing around" the monopoly (see *supra,* pp. 8–10).

The doctrine of equivalents is an obstacle to the economic implementation of this statutory policy. It prevents competitors seeking to invent around the subject of a patent from relying, as Congress intended, on the patent claims themselves to define the scope of the area foreclosed from their use. Because of the difficulty of forecasting how expansively courts might be willing to apply patents under the doctrine, invention around can be accomplished only at a substantial risk of infringement. Yet, as this Court unanimously recognized in a decision enforcing the "statutory requirement of particularity and distinctness in claims," such a result is precisely what Congress sought to avoid because "[a] zone of uncertainty which enterprise and experimentation may enter only at the risk of infringement claims would discourage invention only a little less than unequivocal foreclosure of the field." *United Carbon Co.* v. *Binney Co.,* 317 U.S. 228, 236; cf. *Brenner* v. *Manson,* 383 U.S. 519, 534. See, also, *Aro I, supra,* 365 U.S. at 358–359 (Mr. Justice Black, concurring).

[9] See, also, *United States* v. *Masonite Corp.,* 316 U.S. 265, 278.

In other words, by expanding the economic impact of patents beyond the terms of their claims, the doctrine of equivalents reaches into the area renounced to the public by the patentee—reaches into the public domain (where presumably no patent could have been secured)—and permits royalties to be exacted on the use of that which is the property of all. Cf. *Lear, Inc.* v. *Adkins, supra; Sears, Roebuck & Co.* v. *Stiffel Co., supra; Compco Corp.* v. *Day-Brite Lighting Inc.*, 376 U.S. 234.

The conflict between the doctrine of equivalents and the foregoing considerations has contributed to the growth of the doctrine of file wrapper estoppel, which was summarized by this Court in *Graham* v. *John Deere Co., supra*, 383 U.S. at 33, as follows: "* * * [c]laims that have been narrowed in order to obtain the issuance of a patent by distinguishing the prior art cannot be sustained to cover that which was previously by limitation eliminated from the patent." File wrapper estoppel has become an important limitation on the application of the doctrine of equivalents. "[W]here a patentee has narrowed his claim, in order to escape rejection [by the Patent Office Examiner], he may not 'by resort to the doctrine of equivalents, give to the claim the larger scope which it might have had without the amendments which amount to disclaimer.'" *Smith* v. *Magic City Kennel Club, Inc.*, 282 U.S. 784, 790.

We submit that the reasoning underlying the doctrine of file wrapper estoppel should not be confined solely to those circumstances where, in response to a

rejection by the Patent Office, the patentee amended his claims to secure his patent grant. Even where the original claims are allowed without amendment, the patent monopoly should be confined to what the claims disclose. A patentee who originally confines his claim to avoid prior art, and thus escapes a rejection, should stand in the same position as one who has gone through the formal amending process. In both cases the claims have been narrowly defined in order to avoid rejection and induce a grant.[10] In both cases "the claims made in the patent are the sole measure of the grant" (*Aro I, supra,* 365 U.S. at 339) and, if the theory of the patent law is to be implemented as an economic reality, the claims should also be the guiding measure of the scope of the judicially enforceable patent monopoly.

Our submission, therefore, is that, because it authorizes judicial enforcement of broader patent monopolies than those measured by the claims, the doctrine of equivalents, as it was explicated in *Graver Tank,* should now be rejected by this Court as irreconcilable with fundamental principles of congressional patent policy. We do not mean by this that patentees should no longer be protected against imitations which involve only colorable or trivial deviation from the literal terms of the patent claims. We recognize the wisdom of the Court's observation in *Graver Tank* that

---

[10] The drafting of patent claims is a "highly developed art" (see *Brenner* v. *Manson*, *supra*, 383 U.S. at 534) engaged in by certified experts (see *Sperry* v. *Florida*, 373 U.S. 379, 390–402).

"[o]utright and forthright duplication is a dull and very rare type of infringement" (339 U.S. at 607), and we note that dissent within the Court to perpetuation of the equivalents doctrine has not taken the form of advocacy that forbidden infringement be limited to carbon copying (see, *e.g.*, the concurring opinion of Mr. Justice Black in *Aro I*, 365 U.S. at 354–355). Indeed, we favor reaffirmation of the general principle that inventors should not be placed "at the mercy of verbalism" and that form should not be exalted over substance in the test of infringement (*Graver Tank*, 339 U.S. at 607), but we believe that the doctrine of equivalents should no longer be utilized as a means of implementing that principle because the doctrine fails to afford claims their assigned role in the statutory patent system.

We submit that, instead, the test of infringement should focus specifically on the claims themselves and, if the allegedly infringing device deviates from the claims in any respect, the inquiry should be whether that deviation is material in relation to the statutory function of the claims. More specifically, the proposed test can be formulated in terms of whether the questions involved in the patent issuance proceedings or in the determination of the patent's validity would have been different had the claims been written so as to cover literally the alleged infringing device. Only if the difference in the claims is sufficiently trivial so that either formulation of them would have presented essentially the same case in the issuance proceedings and in litigation of the patent's validity, should a finding of infringement be warranted. The measure of infringement

would, in essence, be the substance of the claims.[11] In light of the statutory safeguards which, in appropriate circumstances, enable patentees to state their claims comprehensively and to revise them to correct verbalistic deficiencies (see point II, *infra*), we believe that the proposed test would adequately protect the economic value of patents, while eliminating judicial expansion of the limited monopolies granted by the Patent Office. We recognize that this test would not obviate the need for the exercise of judgment in close cases. But we believe that it would provide guidance for such judgments that is both more in keeping with the congressional mandate and substantially more comprehensible than that provided by a doctrine characterized by the Court's admonition in *Graver Tank* that, "[i]n determining equivalents, things equal to the same thing may not be equal to each other and, by the same token, things for most purposes different may sometimes be equivalents" (339 U.S. at 609).

II

THE RIGHTS OF PATENTEES WOULD ADEQUATELY BE PROTECTED WITHOUT RETENTION OF THE DOCTRINE OF EQUIVALENTS

Replacement of the doctrine of equivalents by a standard of infringement compatible with more per-

[11] This is to be distinguished from the concept of protecting the "heart" or "gist" of patented inventions which has sometimes been said to justify the doctrine of equivalents. See *Keith* v. *Charles E. Hires Co.*, 116 F. 2d 46 (C.A. 2); *Frick Co.* v. *Lindsay*, 27 F. 2d 59 (C.A. 4). This concept, like the equivalents doctrine itself, improperly expands the scope of patent monopolies beyond the measure of the claims approved by the Patent Office. See *Aro I*, *supra*, 365 U.S. at 344–345.

The proposed test is also narrower than the standards governing

vasive federal patent policies would not sacrifice any legitimate rights or deserving equities of inventors. Built into the patent system itself are several alternative protective devices which are more carefully tailored than the doctrine of equivalents to achieve proper adjustment between the equitable needs of inventors and the pertinent policy considerations. Their availability assures that it would not be unfair for patentees' own claims to be the measure of infringement.

While, as previously noted, 35 U.S.C. 112 requires precise and definitive claiming (typically accomplished by professional claim drafting, see *supra*, p. 16, n. 10), it does not preclude appropriately comprehensive claiming. For example, if the inventor does not wish to restrict his claims to a single way of performing one step of the invention (or to a single device for one element of the patentable combination), he may instead claim a "means" as the third paragraph of Section 112 specifically authorizes.[12] To protect the public from the use of a "means" claim to stake out a monopoly broader than the patent applicant's disclosure, however, the novel aspect of the disclosure may not be described in general "means" terms (*Halliburton Co.* v. *Walker*, *supra*); nor may the means claim be so broad that

---

reissue of patents under 35 U.S.C. 251 (see *infra*, pp. 20–21): its use, therefore, would not amount to judicial reissue of patents in evasion of that statutory provision.

[12] That paragraph provides as follows:

"An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof."

it covers every means for achieving the desired result (*O'Reilly* v. *Morse*, 15 How. 62).

Similarly, the discoverer of a "species" may claim the "genus" to which it belongs, subject to policy qualifications (see *Incandescent Lamp Patent*, 159 U.S. 465, 476). A genus may not be claimed where some of the species in it are inoperative for the desired purpose, *ibid.*; *Pemco Products, Inc.* v. *General Mills, Inc.*, 261 F. 2d 302 (C.A. 6); *American Chemical Paint Co.* v. *Firestone Steel Prod. Co.*, 117 F. 2d 927 (C.A. 6), or are already known or used by the public for such purpose. *In re Steenbock*, 83 F. 2d 912 (C.C.P.A.). But where a broad claim of this type is found by the Patent Office to be appropriate in view of the extent of the applicant's contribution, it will be allowed subject to the above qualifications. Moreover, the genus may even be an artificial one invented by the applicant,[3] provided a recognizable community of characteristics is discernible among the species to define their genus. *Application of Schechter*, 205 F. 2d 185 (C.C.P.A.). And where a new and inventive product cannot be defined in a claim other than by reference to the process of producing it, such claiming is proper. *In re McKee*, 95 F. 2d 267 (C.C.P.A.); *In re Butler*, 37 F. 2d 623 (C.C.P.A.).

Finally, if a patentee through honest error has claimed more or less than he had a right to claim in

---

[3] A like rule permits the patentee to become his own lexicographer, transcending the limits of conventional language where this is necessary to describe the invention. *Autogiro* v. *United States*, 384 F. 2d 391 (C. Cl.); *Stuart Oxygen Co.* v. *Josephian*, 162 F. 2d 857 (C.A. 9); *Advance Ramley Co.* v. *John Lauson Mfg. Co.*, 275 Fed. 249, 251 (C.A. 7).

his patent, he may apply to the Patent Office (within two years of the original grant) for a reissue patent, to correct his mistakes in originally defining his invention (35 U.S.C. 251). In setting exacting standards for reissue patents, however, Congress has indicated that such enlargement of the claims of an already-issued patent should be confined to the circumstances prescribed by statute (*Keystone Bridge Co.* v. *Phoenix Iron Co.*, 95 U.S. 274, 278), as well as to a two-year time period. Moreover, and most importantly, Congress has guarded against prejudice to intervening rights of competitors, insofar as the reissued patent alters the claims of the original (35 U.S.C. 252).

The foregoing devices of the patent system are designed with specificity to assure fair protection of the inventor without prejudicing the public interest. All of them are consistent with the fact that Congress has placed administrative responsibility (subject to judicial review) in the Patent Office, as the expert agency to screen patent applications for novelty, utility, invention, and adequacy of disclosure and definition. By contrast, the doctrine of equivalents forces the State and federal courts[11] to assume the duties of the Patent Office (see Judge Hand's opinion in *Claude Neon Lights*, *supra*, 36 F. 2d at 575–576). This anomaly is unnecessary and unwarranted for the reasons we have shown. It debilitates and erodes the integrity of the patent examining system (*Graham* v. *John Deere Co.*, *supra*, 383 U.S. at 18); and it un-

[11] Cases similar to the present one can arise as contract actions in the State courts. Cf. *Lear, Inc.* v. *Adkins*, *supra*.

justifiably prejudices the interests of competitive manufacturers and the general public.

We urge the Court, therefore, to reject the doctrine of equivalents and to adopt, instead, the standard for determining patent infringement proposed in this brief (*supra*, pp. 17–18).[15]

CONCLUSION

For the foregoing reasons, the judgment of the court of appeals should be reversed.

Respectfully submitted.

ERWIN N. GRISWOLD,
Solicitor General.
RICHARD W. MCLAREN,
Assistant Attorney General.
LAWRENCE G. WALLACE,
Assistant to the Solicitor General.
RICHARD H. STERN,
SUSAN EHRINGHAUS,
Attorneys.

JANUARY 1970.

[15] In applying the proposed standard to the instant case, we believe that it would be appropriate for this Court to recognize that the specific reference to "a pair of spaced openings" in the claim at issue here (in lieu of a more comprehensive "means" claim) is the type of limitation in a claim that could well be designed to help induce its issuance or sustain its validity. Accordingly, it would be proper for the Court to hold that the patent was not infringed under the proposed test. We recognize, however, that the parties did not develop the record in this litigation with reference to the standard we have proposed and, for this reason, the Court may prefer to remand the case for a further hearing on the question of the application of the proposed standard to the facts of this case.

SUPREME COURT, U. S.

FILED

JAN 27 1970

JOHN F. DAVIS, CLERK

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC.,
Petitioner,

vs.

TIGRETT INDUSTRIES, INC., et al.,
Respondents.

On Writ of Certiorari to the United States Court of Appeals
for the Sixth Circuit

RESPONDENTS' BRIEFS IN REPLY TO BRIEF OF PETITTIONER and in reply to AMICUS CURIAE BRIEF FOR THE UNITED STATES

RALPH W. KALISH
721 Olive Street
St. Louis, Missouri 63101
HEWITT P. TOMLIN, JR.
106 South Liberty
Jackson, Tennessee
Attorneys for Respondents

St. Louis Law Printing Co., Inc., 411-15 N. Eighth St. 63101 314-231-4477

TABLE OF CONTENTS OF RESPONDENTS' BRIEF IN REPLY TO PETITIONER'S BRIEF

	Page
Jurisdiction	1
No Constitutional provisions and statutes involved	2
Questions presented for review	2
Statement of the case	3
Argument	9
Point I—Petitioner Liable for Royalties Under U. S. Letters Patent No. 3,162,865 as the Same Is Infringed by Petitioner's Construction	9
Point II—The Doctrine of Equivalents Clearly Applicable and Proper Under the Facts of the Present Case	14
Point III—File Wrapper Estoppel Not Applicable	20
Point IV—Having Failed to Urge Invalidity at an Earlier Stage in This Lawsuit, Petitioner Should Not Be Permitted to Contest Validity by Reason of the Holding of This Court in Lear v. Adkins (1969), 89 Sup. Ct. 1902	24
Point V—Validity of U. S. Letters Patent No. 3,162,865 Not in Issue	28
Point VI—Respondent's Assignment of Its Over-Ride Payments Did Not Work a Cancellation of Any Agreement	29
Point VII—Matter of Refund Royalties	37
Conclusion	37
Addendum to respondents' brief	A-1

Cases Cited

Apex Electrical Mfg. Co. v. Maytag (CCA 7—1941), 122 F. 2d 182, 50 USPQ 90 17
Automatic Radio Co. v. Hazeltine Research, Inc. (1950), 39 U. S. 827 24

Beechwood Lumber Co. v. Tobin (CCA 5—1952), 199 F. 2d 878 29
Bowser, Inc. v. Filters, Inc. (CCA 9—1968), 396 F. 2d 296, 158 USPQ 305 15
Brown v. Collins (CCA D. C.—1968), 402 F. 2d 209 29
Brummitt Tire Co. v. Sinclair Refining Co. (1934), 18 Tenn. App. 270 34

Coats Loaders and Stackers, Inc. v. Henderson (CCA 6—1956), 233 F. 2d 915, 109 USPQ 332 16

Desert Palace, Inc. v. Salisbury (CCA 7—1968), 401 F. 2d 320 28
Drackett Chemical Co. v. Chamberlain Co. (CCA 6 —1933), 63 F. 2d 853 25

First National Bank of Topeka v. United Telephone Association, Inc. (Kansas), 355 Pacific 2d 963 36

General Motors Co. v. Swan Carburetor Company (CCA 6—1930), 44 F. 2d 24, 6 USPQ 22 10
Green v. Electric Vacuum Cleaner Co., Inc. (CCA 6—1942), 132 F. 2d 312, 313, 56 USPQ 127, cert. granted 318 U. S. 753, cert. dismissed 319 U. S. 777 11
Gridiron Steel Co. v. Jones and Laughlin Steel Corp. (CCA 6—1966), 361 F. 2d 791, 149 USPQ 887 in affirming the decision of the District Court (D. C. N. D. Ohio—1964), 142 USPQ 264 10
Goodyear Tire & Rubber Co. v. Ray-O-Vac Co. (1944), 321 U. S. 275, 70 USPQ 386 12
Graver Tank & Mfg. Co. v. Linde Air Products Co. (1949), 336 U. S. 271, 80 USPQ 449 (First case) .. 11

Graver Tank Mfg. Co. v. Linde Air Products Co. (1950), 339 U. S. 605 (Second case) 10, 14, 15, 16

Hap Corp. v. Heyman Mfg. Co. (CCA 1—1962), 311 F. 2d 839, 134 USPQ 285, Cert. denied, 373 U. S. 903 28

Industrial Instrument Corp. v. Foxboro Co. (CCA 5—1962), 307 F. 2d 783, 134 USPQ 529 17

Lear v. Adkins (1969), 89 Sup. Ct. 1902 .....24, 25, 26, 27, 28, 29

Lumsden v. Roth (Calif.), 291 Pacific 2d 88 35

Marston v. Swett, 82 N. Y. 526 25

Mason v. Electrol, Inc. (1944), 292 N. Y. 482 ....34, 36, 37

Matthews v. Koolvent Metal Awning Co. (CCA 5—1946), 158 F. 2d 37, 71 USPQ 219 15

Moody v. Kirkpatrick, 234 F. Supp. 537 (1964) 33

No Joint Concrete Pipe Co. v. Hanson (CCA 9—1965), 344 F. 2d 13, 144 USPQ 519, cert. den. 382 U. S. 843 (1965) 18

Pop-in-Oil Council, Inc. v. Wyndall's Supermarket (CCA 6—1966), 355 F. 2d 372, 148 USPQ 174 12

Potterton v. Condit, 218 Mass. 216, 105 N. E. 443 25

Pratt v. Globe Mutual Life Insurance Co., 17 S. W. 352 (1875) 33

Pratt v. Paris Gaslight & Coke Co., 168 U. S. 255 25

Radley v. Smith (Utah), 313 Pacific 2d 465 35

Royal Typewriter Co. v. Remington Rand, Inc. (CCA 2—1948), 168 F. 2d 691, 77 USPQ 517, cert. den. 335 U. S. 825; rehearing den. 335 U. S. 864 (1948) 17

Sanitary Refrigerator Co. v. Williams (1929), 280 U. S. 20, 3 USPQ 40 10

Schriber Co. v. Cleveland Trust Co. (Sup. Ct.—1941), 311 U. S. 211 23

Sloan v. Jones, 241 S. W. 2d 506 (1951) 33

Specialty Equip. & Mach. Corp. v. Zell Motor Car Co. (CCA 4—1952), 193 F. 2d 515, 92 USPQ 84 ... 18
Stone v. Martin (1947), 185 Tenn. 365 34
Toledo Scale Corp. v. Westinghouse Electric Corp. (CCA 6—1965), 351 F. 2d 173, 147 USPQ 125, 127 12
Union Paper Bag Machine Co. v. Murphy (1878), 97 U. S. 120 10
U. S. Plywood Corp. v. General Plywood Corp. (CCA 6—1967), 370 F. 2d 500, 507, 152 USPQ 80, cert. den. 389 U. S. 820 11
U. S. v. Real Estate Boards (1950), 339 U. S. 485 12
Victory Bottle Capping Mach. Co., Inc. v. O-J Mach. Co. (CCA 1—1922), 280 F. 753 25
Wagner v. Retail Credit Co. (CCA 7—1964), 338 F. 2d 598 28
Walters v. City of St. Louis (1954), 347 U. S. 231 ... 28
Westinghouse v. Boyden Power Brake Co. (Sup. Ct. 1898), 170 U. S. 537 15
Williams Mfg. Co. v. United Shoe Machinery Corp. (Sup. Ct.—1942), 316 U. S. 364, 53 USPQ 478 12
Zenith Radio Corp. v. Hazeltine (1969), 395 U. S. 100 6
Zysset v. Popeil Bros., Inc. (CCA 7—1960), 276 F. 2d 354, 124 USPQ 250, cert. den. 364 U. S. 826 (1960) 17

Rules Cited

Federal Rules of Civil Procedure, Rule 52(a) 11

Texts Cited

6 Am. Jur. 2d, Assignments, Sec. 111 34
Corbin on Contracts, pp. 637-638 35
Restatement of the Law of Contracts, Sec. 164 35

TABLE OF CONTENTS OF RESPONDENTS' BRIEF IN REPLY TO AMICUS CURIAE BRIEF OF THE UNITED STATES

Page

Argument 1

Point I—The Doctrine of Equivalents compatible with the dominant policies of the Federal Patent System 1

A. Statutory requirements of precise claiming have been consistent since at least 1836 1

B. Doctrine of Equivalents not inconsistent with statutory requirements of claiming 4

C. The new test urged by the Government is a re-statement of the Doctrine of Equivalents as applied by the courts 9

Point II—Alternative protective devices do not compensate for overruling of Doctrine of Equivalents 15

Conclusion 16

Cases Cited

Borg-Warner Corp. v. Paragon Gear Works, Inc. (CCA 1—1965), 355 F. 2d 400, 148 USPQ 1, Cert. Denied, 384 U. S. 935 (1966) 13

Bowser, Inc. v. Filters, Inc. (CCA 9—1968), 396 F. 2d 296, 158 USPQ 305 ..... 7, 8

Claude Neon Lights v. E. Machlett & Son (CCA 2—1929), 36 F. 2d 574 12

Evans v. Eaton, 3 Wheat. 454 3

Foster Cathead Co. v. Hasha (CCA 5—1967), 382 F. 2d 761, 155 USPQ 177, Cert. denied 390 U. S. 906 (1968) 7

Graver Tank Mfg. Co. v. Linde Air Products Co. (1950), 339 U. S. 605 ..... 2, 3, 4, 9, 10, 11, 14
Grant v. Koppl (CCA 9 – 1938), 99 F. 2d 106, 30 USPQ 36 8
Hap Corp. v. Heyman Mfg. Co. (CCA 1 – 1962), 135 USPQ 285, 288 6
Hogg v. Emerson, 6 How. 436 3
Hoyt v. Horne (1892), 145 U. S. 302 3
King-Seeley Thermos Co. v. Refrigerated Dispensers (CCA 10 – 1965), 354 F. 2d 533, 148 USPQ 11 11
Matthews v. Koolvent Metal Awning Co. (CCA 5 – 1946), 158 F. 2d 37, 71 USPQ 249, reversing, 60 F. Supp. 3, 64 USPQ 456 ..... 8, 11
Reese v. Gould (1871), 15 Wall. 187 ..... 5, 10
Royal Typewriter Co. v. Remington Rand (CCA 2 – 1948), 168 F. 2d 691, 77 USPQ 517, Cert. Denied 335 U. S. 825, Rehearing Denied, 335 U. S. 864 (1948) 12
Sanitary Refrigerator Company v. Winters (Sup. Ct. 1929), 280 U. S. 30 ..... 4, 10
Westinghouse v. Boyden Power Brake Co. (Sup. Ct. – 1898), 170 U. S. 537 7
Winans v. Denmead, 15 How. 330 ..... 3, 4

Text Cited

43 Journal of the Patent Office Society 291 (May, 1966) 7

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC.,
Petitioner,

vs.

TIGRETT INDUSTRIES, INC., et al.,
Respondents.

On Writ of Certiorari to the United States Court of Appeals
for the Sixth Circuit

RESPONDENTS' BRIEF IN REPLY TO PETITIONER'S BRIEF

JURISDICTION

Jurisdiction of the United States District Court was acquired in this case solely by reason of diversity of citizenship of the parties hereto in which the amount in controversy, exclusively of interest and costs, exceeded the sum of Ten Thousand Dollars ($10,000.00) (Title 28 U. S. Code Section 1332). Jurisdiction on said single basis was alleged in Respondents' complaints (A. 9a, 17a) and jurisdiction was admitted by Petitioner in its answers on said basis (A. 25a).

NO CONSTITUTIONAL PROVISIONS AND STATUTES INVOLVED

In the proceedings before the District Court and the Court of Appeals, there was no issue raised relating to the power of Congress to issue patents upon inventions, nor to any statutory provisions concerning the granting of patents. Petitioner's brief for the first time in this case makes reference to Section 103 of Title 35 U. S. Code. This case was an action *ex contractu* without involvement of either Constitutional provisions or Federal statutes.

QUESTIONS PRESENTED FOR REVIEW

The questions presented by Petitioner for review are subject to prolixity and impropriety. The first three questions jointly refer but to a single issue and, succinctly, the same should be stated as to whether or not Petitioner's Golden Convertible playpen infringes U. S. Patent No. 3,162,865.

Question No. 5 raises an issue new to this case and which could not have been considered by either Court below. Therefore, it is improper.

Question No. 7 also presents an issue new to this case, not considered below, and, therefore, is improper.

STATEMENT OF THE CASE

Respondents* deem it necessary to correct various inaccuracies and omissions in Petitioner's Statement of the Case and shall attempt herein to rectify same.

The Contract for Purchase of Assets (A. 54a-63a) involves the sale, as a going business, of the infant furniture division of Respondent to Petitioner. The over-ride and royalty payments were but a part of the total transaction, with the over-ride payments to Respondent for a period of five years being a distinct part of the consideration flowing to Respondent for the sale of its business. Such over-ride permitted Petitioner "to pay as it went" as opposed to paying a lump sum upon purchase. Thus; the paragraphs relating to patents should be considered within the environment of the entire contract. Certain other paragraphs of said Contract for Purchase of Assets pertinent herein are as follows:

> "9. ASSIGNMENT. It is understood and agreed that Buyer may assign this agreement to a new corporation to be formed for the purpose of taking title hereunder upon conditions that such assignment shall not release the Buyer from its obligations hereunder."
>
> "11. EXECUTION OF ADDITIONAL DOCUMENTS. Seller does hereby specifically agree to execute or cause to be executed all such bills of sale, **assignments**, leases, **patent and trade name and trademark assignments and licenses** or other instruments, documents or papers as may be deemed reasonably

* The term "Respondent" as may be used from time to time herein shall refer to Tigrett Industries, Inc., although the word in plural form will, of course, be understood to refer to both Respondents collectively.

necessary to advisable to carry out each and every provision of this agreement." [Emphasis supplied].

"13. CLOSING DATE. The closing of the purchase and sale provided herein shall take place at Jackson, Tennessee. . . .".

"15. PATENTS. Seller agrees to obtain prior to the closing herein all necessary consents, assignments and other instruments of transfer in and to the patent licenses referred to in the next ensuing paragraph . . . , in form and substance satisfactory to the Buyer's attorney."

Paragraph 16(c) is substantially identical with 16(e) but relates to Patent No. 2,790,978 upon the PLAY-A-ROUND playpen. This Patent is the other of the two which have been involved in this proceeding. The patent application recited in Paragraph 16(e) matured into United States Letters Patent No. 3,163,865 relating to the GOLDEN CONVERTIBLE playpen.

At the time of execution of the Contract for Purchase of Assets, Respondent was the owner of the entire, right and interest in and to the aforementioned patents, having acquired title thereto by agreements between it and John Burton Tigrett dated October 1, 1955 (Play-A-Round Patent) and July 19, 1961 (Golden Convertible patent). Although these agreements were assignments, as distinguished from licenses, Respondent was obligated to pay John Burton Tigrett a three percent (3%) royalty. In each of these agreements, by which John Burton Tigrett divested himself of title to these patents, there was contained a clause reading as follows:

"This agreement shall automatically be cancelled and terminated in the event of bankruptcy of Purchaser or assignment by Purchaser for the benefit of creditors . . . In the event of cancellation or termination of this agreement as provided herein, this agreement

> shall operate and function as a reassignment to Vendor of all the right, title and interest in and to said invention and improvements and all applications and patents coming hereunder."

John Burton Tigrett executed the Contract for Purchase of Assets both on behalf of Respondent and in his individual capacity. (A. 63a) thereby formally acknowledging his personal consent to, and acceptance of, all conditions and terms of the said Contract.

In accordance with Paragraph 13 of the Contract for Purchase of Assets, the closing between Respondent and Petitioner's subsidiary and alter ego, Jackson Furniture Corporation, a Tennessee corporation, took place in Jackson, Tennessee on December 22, 1964. By identical documents of Assignment of Patent Rights (A. 76a-80a), each of the aforesaid patents were assigned by Respondent to the said Jackson Furniture Corporation, the granting language being as follows:

> "* * * Tigrett Industries, Inc. does hereby sell, assign, transfer and convey unto Jackson Furniture Corporation, its successors and assigns, the entire right and interest in and to the aforesaid Letters Patent * * *."

These documents were executed by officers of Respondent and the assignee, Jackson Furniture Corporation, on the date stated. These documents of Assignment of Patent Rights* were effected to comply with Respondent's obligations under Paragraph 16(c) and 16(e) of the Contract for Purchase of Assets resulting in the vesting of title to the Patents in suit in Petitioner's alter ego.

---

* Throughout this proceeding, the term "license" has been utilized to refer to the underlying agreements with John Burton Tigrett in which Jackson Furniture Corporation has been substituted for Tigrett Industries. These documents were, in truth, assignments and provided the basis whereby Respondent could enter into the Assignment of Patent Rights.

On the same date, December 22, 1964, Petitioner's subsidiary took over the operation of Respondent's business and has to the present time continued to sell Golden Convertible playpens, as well as other items, the market acceptance for which was established by Respondent.

On April 14, 1965 Petitioner made over-ride and royalty payments to Respondent and John Burton Tigrett, respectively, upon Petitioner's sales for the first quarter of 1965 of the "Golden Convertible" playpen, but made no payment upon, or any report concerning, the "Play-A-Round" playpens.*

With simultaneous notice to Petitioner (A. 66a) and its alter ego, Jackson Furniture Corporation, Respondent on April 26, 1965, over four months after the assignment of Patent Rights, effected the Assignment for the Benefit of Creditors (A. 67a-73a) with respect to the two percent (2%) over-ride to be paid Respondent for the stated five year period (now expired) pursuant to the terms of Paragraph 16(c) and 16(e). Respondent's right to receive these over-ride payments was established by the said Contract for Purchase of Assets and not by reason of any agreement between Respondent and John Burton Tigrett. These over-ride payments and the alternative provisions of Paragraph 17* were to provide the balance of the consideration moving to Respondent for the transfer of its assets, good will, unfilled orders, etc., or in a word, its business.

---

* Petitioner on page 5 of its brief cites the decision of this Court in **Zenith Radio Corp. v. Hazeltine** (1969), 395 U. S. 100, upon the ground that in some unspecified way it invalidates Paragraph 17. This paragraph provides for an alternative manner of calculation of the balance of consideration to be paid Respondent. To provide a distinct option for calculation of consideration which is not based upon, or relating to, patents assuredly does not amount to patent misuse merely because the other method is determined upon sales under a patent of articles covered thereby. Petitioner's reference to this case is completely inapt.

No advice was received by Respondent from Petitioner consequent to the Notice of Assignment (A. 66a) and Respondent's first indication that Petitioner would no longer make the required payments was in or about August, 1965 when the payments were overdue for the second quarter of 1965.

Efforts by Respondent to obtain clarification of Petitioner's refusal to pay were fruitless. No reasons were advanced, so that this action was instituted in December, 1965 to recover the royalty and over-ride payments due. In no responsive pleading filed by, or on behalf of, Petitioner was there any allusion to, or suggestion that, the Assignment for the Benefit of Creditors was deemed by Petitioner to relieve it of all obligation to make such payments (see A. 15a-16a and 25a-27a). It was not until December, 1966, one year after the filing of the complaint and almost 20 months after the Assignment for the Benefit of Creditors that Respondents were informally and orally advised of such contention. The pleadings still do not reflect such position.

The District Court, in addition to holding Petitioner liable for royalties and over-ride payments, held that there had been no cancellation of the assignments of the Patents in suit by reason of the Assignment for the Benefit of Creditors (A. 42a). The Court of Appeals affirmed the Judgment of the District Court in all respects.

In its Statement, Petitioner, at page 7 of its brief, reaffirms its voluntary withdrawal of its contention with respect to the matter of coverage of Patent No. 2,790,978 of its "Play-A-Round" playpen (see A. 41a). Petitioner also asserts that it is not questioning the validity of that patent. Yet in both its brief and its Petition for Writ of Certiorari, Petitioner has quoted from the transcript certain exchanges which occurred during the trial in the District Court relative to said Play-A-Round Patent. At

pages 6 and 7 of its Petition, Petitioner avers that it could not show that the invention of Patent No. 2,790,978 was an actual copy of an expired patent and refers to an exchange with the Court. However, by reference to the transcript of testimony (see A. 129a-2-129a-3), the patent involved is the said Patent No. 2,790,978 and the so-called expired patent is United States Patent No. 2,563,915 set forth in Paragraph 16(a) of the Contract for Purchase of Assets (see A. 61a). Thus, this colloquy with the Court has no relationship whatever to the Golden Convertible Patent, No. 3,162,865, which is the only one now before this Court.

Additionally, at page 9 of its brief, Petitioner refers to a certain exchange with Dean Don Fischer (A. 146a). However, it will be observed that by reference to the preceding page of the Appendix, Respondent's expert was being interrogated with respect to certain language in the claims of the Play-A-Round Patent and **not** the Golden Convertible Patent about which Petitioner's counsel first cross-examined Dean Fischer thereafter (see middle of page 146a of the Appendix).

Although Petitioner withdrew Patent No. 2,790,978 it has seen fit to consistently refer to portions of the transcript relating to same, but which are entirely unrelated to the Golden Convertible Patent, No. 3,162,865. By not making clear in its reference to the transcript, Petitioner would allow the improper inference that said quoted portions relate to the Golden Convertible Patent which is not true.

The withdrawal of the Play-A-Round Patent from contention is most inconsistent with the position Petitioner now urges.

Facts concerning the prosecution before the Patent Office of the application maturing into the Golden Convertible Patent will be discussed below under Point III of the Argument for purposes of convenience.

ARGUMENT

Point I

Petitioner Liable for Royalties Under U. S. Letters Patent No. 3,162,865 as the Same Is Infringed by Petitioner's Construction.

The evidence in this cause showed that Petitioner's Golden Convertible Playpen was altered in only one respect from the structure claimed* and that being in providing a single opening in lieu of two openings for upward threading of the draw strings through the base plate for

---

* The two claims of the patent in suit are as follows:

1. An article of infant furniture comprising a top frame member, a base plate, a flexible netting having a general tubular form suspended from said top frame member, and extending downwardly for receiving the said base plate and presenting same in normal planar relation to the axis of said tubular netting, said netting at its lower and extending inwardly beneath said base plate, drawstrings engaged to the lower end edge of said netting beneath said base plate, said base plate having a pair of spaced openings, said drawstrings being threaded upwardly through said openings in said base plate and being mutually fixedly engaged above said base plate for providing a grip for convenient manipulation for said netting to elevate said base plate by upward pulling on said grip, a bottom frame member in planar parallel relation to said top frame member and disposed below said base plate for support thereof, legs engaged at their upper ends to said top frame member and extending downwardly therefrom, and means for engaging said bottom frame member to said legs.

2. An article of infant furniture as defined in claim 1 and further characterized by said legs being pivotally engaged at their upper ends to said top frame member for swingable movement between vertical or operative position and horizontal or collapsed position, and said means detachably engaging said bottom frame member to said legs comprising a plurality of leg-surrounding elements fixed to said bottom frame member and extending outwardly therefrom, each leg having a plurality of vertically spaced apart openings, and a hook forming member swingably mounted upon each leg-surrounding member for selected engagement within an opening in the proximate leg.

mutual union thereabove to provide a manipulative handle or grip. The first question presented by Petitioner for review (page 3 of its brief) is inaccurate in stating that the claims of the patent in suit "require" a limitation, etc. This point will be discussed more fully under the discussion concerning file wrapper estoppel below.

There is also the recognition that in a suit for royalties under a patent assignment or license, the issue is one of infringement for determining whether the construction in question is covered: **General Motors Co. v. Swan Carburetor Company** (CCA 6—1930), 44 F. 2d 24, 25, 6 USPQ 22; **Gridiron Steel Co. v. Jones and Laughlin Steel Corp.** (CCA 6—1966), 361 F. 2d 791, 149 USPQ 887 in affirming the decision of the District Court (D. C. N. D. Ohio—1964), 142 USPQ 264.

In the present case, since Petitioner's playpen did not literally read on each word in the claim, that is, there being something immediately less than 100 percent perfect coincidence, in view of the said difference, namely, one hole in lieu of two holes, the District Court, as a fact, found infringement by reason of the accused structure working in substantially the same manner and with the same result as the claimed structure. In finding infringement, the District Court applied the doctrine of equivalents and the Court of Appeals affirmed said finding thereunder. The Court of Appeals noted that the said difference was not "a substantial difference." The Courts below, in resorting to the doctrine of equivalents, followed established precedents as exemplified by decisions of this Court in **Union Paper Bag Machine Co. v. Murphy** (1878), 97 U. S. 120; **Sanitary Refrigerator Co. v. Williams** (1929), 280 U. S. 20, 3 USPQ 40; and **Graver Tank Mfg. Co. v. Linde Air Products Co.** (1950), 339 U. S. 605.

The District Court applied the test as expressed by this Court in the **Union Paper Bag Co.** case, supra,

> "* * * if two devices do the same work in substantially the same way, and establish essentially the same result, they are the same, even though they differ in manner, form, or shape" (97 U. S. at 125).

It is submitted that the holding of the District Court and the affirmation thereof by the Court of Appeals was, in the present case, correct, since the evidence adduced, including court demonstrations and the testimony of experts[5] for both parties, established that the substitution of the single hole for the two holes did not result in any distinction with respect to the means of operation, manner of operation, and results of operation.

Infringement is a question of fact. **Green v. Electric Vacuum Cleaner Co., Inc.** (CCA 6—1942), 132 F. 2d 312, 313, 56 USPQ 127, cert. granted 318 U. S. 753, cert. dismissed 319 U. S. 777; **U. S. Plywood Corp. v. General Plywood Corp.** (CCA 6—1967), 370 F. 2d 500, 507, 152 USPQ 80, cert. den. 389 U. S. 820. Rule 52(a) of the Federal Rules of Civil Procedure provides that findings of fact shall not be set aside by Appellate Courts unless clearly erroneous, with the Appellate Courts giving due regard to the opportunity of the trial court to judge the credibility of the witnesses. This Court in the first Graver Tank case, namely, **Graver Tank & Mfg. Co. v. Linde Air Products Co.** (1949), 336 U. S. 271; 80 USPQ 449, stated:

> "To no type of case is this last clause (Rule 52a) more appropriately applicable than to the one before us, where the evidence is largely the testimony of experts as to which a trial court may be enlightened by scientific demonstrations" (at p. 274).

---

[5] Dean Fischer (Respondent's expert): "They do the exact same work in exactly the same manner and in the same way, and whether you put the drawstrings through one hole or two holes, makes no difference in the operation of the device and in both cases it lifts up the bottom and tightens the net in the same manner" (A. 142a).

In holding that the findings of the trial court were not clearly erroneous in that case, this Court observed:

> "A court of law, such as this Court is, rather than a court for correction of errors in fact finding, cannot undertake to review concurrent findings of fact by two courts below in the absence of a very obvious and exceptional showing of error" (at p. 275).

Also appropriate is the following statement of Justice Douglas in **U. S. v. Real Estate Boards** (1950), 339 U. S. 485:

> "It is not enough that we might give the facts another construction, resolve the ambiguities differently, and find a more sinister cast to actions which the District Court apparently deemed innocent [citing cases]. We are not given these choices because our mandate is not to set aside findings of fact 'unless clearly erroneous'" (at 495, 496).

This Court also aptly noted in **Goodyear Tire & Rubber Co. v. Ray-O-Vac Co.** (1944), 321 U. S. 275, 70 USPQ 386:

> "The Circuit Court of Appeals re-examined the findings in the light of the evidence and accepted them. It must be a strong case in which this court will set aside concurrent findings of two courts" (at p. 278).

See also **Williams Mfg. Co. v. United Shoe Machinery Corp.** (Sup. Ct.—1942), 316 U. S. 364, 367, 53 USPQ 478; **Toledo Scale Corp. v. Westinghouse Electric Corp.** (CCA 6—1965), 351 F. 2d 173, 176, 147 USPQ 125, 127; **Pop-in-Oil Council, Inc. v. Wyndall's Supermarket** (CCA 6—1966), 355 F. 2d 372, 375, 148 USPQ 174.

It is submitted that the factual finding of infringement by the District Court in the present case is not clearly erroneous in view of the holding of the Court of Appeals that such finding was without "any clear error."

The discussion in Petitioner's brief under Point I (see pages 8-13) comprehends numerous matters, such as, validity, infringement, file wrapper estoppel. Response to these various points other than infringement will be made hereinbelow.

Petitioner has not at any juncture in this proceeding attempted to demonstrate that the accused construction differs from the claimed structure other than to merely point out that one hole has been substituted for two holes. Petitioner's expert witness did not present testimony tending in any way to show that the one hole brought about anything other than the same result. None of the authorities cited on page 10 of Petitioner's brief support Petitioner's urging that infringement is made out only if the accused structure reads in full registration with the language of the claims.

The excerpts from the transcript of testimony appearing on page 9 of Petitioner's brief constitute an exchange between Petitioner's counsel and Respondents' expert witness, Dean Don Fischer, had no relation to the Golden Convertible Patent and the inclusion of the same in the brief is impertinent and misleading. Reference to page 146a of the Appendix discloses that this exchange related to the language of the claims of United States Patent No. 2,790,798 upon the Play-A-Round Playpen; questions relative to which Petitioner has withdrawn from contention in this suit. The spaced points mentioned refer to a spatial relationship between the foldable legs of that particular, circular playpen. Obviously, if the legs were not spaced and thus coincided in that construction, it would either be inoperable, or one that would work in a most distinct and unique fashion. Thus, Dean Fischer was not being cross-examined on the patent in suit wherein the construction involved, as shown, could have a coincidence of openings with retention of identical operability.

Point II

The Doctrine of Equivalents Clearly Applicable and Proper Under the Facts of the Present Case.

Petitioner contends that the doctrine of equivalents "no longer has any place in patent law and that a patent should be read specifically in connection with the specific terms of the claim" and urges that restricting claim coverage to its exact precise wording will materially advance technology and progress (Petitioner's brief, page 13). Respondents within this document are simultaneously replying to an *amicus curiae* brief filed on behalf of the U. S. Government which entreats this Court to overrule the holding in the **second Graver case**, namely, Graver Tank & Mfg. Co. v. Linde Air Products Co. (1950), 339 U. S. 605, and thereby abolish the doctrine of equivalents for replacement by a proposed new test of infringement. Respondents will endeavor to minimize duplication in its arguments in the two sections of its brief since Petitioner and the Government solicit a like result.

Addressing the contentions put forth by Petitioner, Respondents maintain that the doctrine of equivalents is in fact not a barrier to technological advancement as this term is generally understood. Without more, it is not seen how the mere extension of the claims of the patent in suit to comprehend a structure embodying Petitioner's single opening, with every other element completely coinciding and with the functioning and results being the same, can be considered a thwarting of the advance of technology and progress. Copying, with only a colorable deviation, should not be protected under the broad guise of technological advance.

In patent infringement actions, a Court is faced with only one of two possible situations, namely—1) wherein the accused device reads literally upon every word of the

claim; and 2) wherein the accused device does not read literally upon every word of the claim.

According to Petitioner's strict view, infringement would only be made out in the first of these two conditions so that the least variant, regardless of consequentialness, would be adequate to avoid infringement. To the present time, Courts have not adopted such an arbitrary standard.

> "The Courts have also recognized that to permit imitation of a patented invention which does not copy every literal detail, would be to convert the protection of the patent grant into a hollow and useless thing." **Second Graver case**, supra (at p. 607).

In cases of the first type, courts have only found infringement after being satisfied that despite the complete verbal coincidence, there was also a corresponding similarity in mode of operation and results obtained. If the latter were not established, then infringement was avoided, despite the specific reading of the claim on the accused structure. In these instances, the courts have applied the doctrine of equivalents in an internal manner for the purpose of actually contracting or restricting the claim. See **Westinghouse v. Boyden Power Brake Co.** (Sup. Ct. 1898), 170 U. S. 537; **Bowser, Inc. v. Filters, Inc.** (CCA 9—1968), 396 F. 2d 296, 158 USPQ 305.

In cases of the second type courts have found infringement only wherein the accused device operated in substantially the same manner, by substantially the same means to accomplish the same results as the claimed structure. In these cases the doctrine of equivalents has been applied in an external manner to allow for limited expansion to avoid the patentee being a victim of cunningly contrived dissimulation. **Matthews v. Koolvent Metal Awning Co.** (CCA 5—1946), 158 F. 2d 37, 71 USPQ 219. Thus, a discarding of the doctrine of equivalents would necessitate also a review as to how to determine infringe-

ment in cases falling in the first category since by Petitioner's strict view infringement would be established, but with untoward results. A review of the cases demonstrates that the doctrine of equivalents in its external application in mechanical patent cases has only been applied to permit a finding of infringement with structures constituting but a colorable difference from that claimed. The structural distinction upon which Petitioner in the present case relies is of the very breed which caused the courts to establish this doctrine in the first place, that is, to prevent one from practicing "a fraud on a patent"; protecting the patentee against the "unscrupulous copyist" who, by making unimportant and insubstantial changes, would take the copied matter out of the literal language of the patent but add nothing to the body of knowledge (see **second Graver case**, supra).

Justice Black in his dissent in the **second Graver case**, supra, inferentially recognized the applicability of the doctrine in cases dealing with mechanical structures

> "The claim relied upon here did not involve any mechanical structure or process where invention lay in the construction or method rather than in the material used" (at p. 616).

These judicial views as to the applicability of the doctrine of equivalents in mechanical patent cases have been consistently, qualifiedly applied through the years* to cover departures which are specious, rather than substantial modifications of the patented device (**Coats Loaders and Stackers, Inc. v. Henderson** (CCA 6—1956), 233 F. 2d 915, 109 USPQ 332).

The following immediately pertinent cases are demonstrative of the application of the doctrine in an external

---

* Hereinbelow in the section devoted to the response to the Government's brief, comments are made concerning the historical background of this doctrine.

manner wherein the accused structure incorporated a single element and the claimed structure called for two such elements; there being no other differences in structure, operation or results obtained. In **Royal Typewriter Co. v. Remington Rand, Inc.** (CCA 2—1948), 168 F. 2d 691, 77 USPQ 517, cert. den. 335 U. S. 825; rehearing den. 335 U. S. 864 (1948), Justice Learned Hand, in applying the doctrine of equivalents to find that the accused structure which contained but a single trip bar infringed the claim which called for two trip bars, stated:

> "* * * Courts have with curious unanimity held that it does not avoid infringement to combine into one member that which the patent discloses as two, if the single member performs the duties of both in the same way" (at p. 693).

In **Zysset v. Popeil Bros., Inc.** (CCA 7—1960), 276 F. 2d 354, 124 USPQ 250, cert. den. 364 U. S. 826 (1960), the Court in finding that the accused blade infringed asserted:

> "A 'single ring and sleeve' described in the claims of the patent in suit were **made as one part rather than two.** No change in functioning or manner of operation resulted." * * *
>
> "Infringement is not avoided by making into one part that which has been shown as two where there is no change in the function or manner of operation of the element" (Emphasis ours) (at p. 357).

In **Apex Electrical Mfg. Co. v. Maytag** (CCA 7—1941), 122 F. 2d 182, 187, 50 USPQ 90, the Court under a similar fact situation found infringement where the only difference resided in the defendant's using one lever for performing the same function, in the same manner, and accomplishing the same result as did the two levers called for in the patent claim.

In **Industrial Instrument Corp. v. Foxboro Co.** (CCA 5—1962), 307 F. 2d 783, 134 USPQ 529, the structure held

to infringe incorporated a one piece solid wall as opposed to the two piece wall of the claim. The Court stated:

> "We hold that infringement cannot be avoided by using a one piece wall rather than a two piece wall. They are the same even though they double in form. They do the same work, in the same way and accomplish the same result" (at p. 786).

In **Specialty Equip. & Mach. Corp. v. Zell Motor Car Co.** (CCA 4—1952), 193 F. 2d 515, 92 USPQ 84, the Court pertinently observed:

> "Neither the joinder of different elements of a patented combination into one, nor the separation of one integral part into two or more doing together substantially what was done by the single element will evade a charge of infringement" (at p. 518).

Another pertinent precedent is **No Joint Concrete Pipe Co. v. Hanson** (CCA 9—1965), 344 F. 2d 13, 15, 144 USPQ 519, cert. den. 382 U. S. 843 (1965). The patented device called for a core in two pieces while the accused device involved a one piece core. The sole question presented was whether or not the one piece core of defendant was the mechanical equivalent of plaintiff's two piece core. In reversing the District Court, and holding that the same were equivalents, the Court of Appeals stated:

> "A substantial body of law recognizes that infringement is not avoided by making into one part that which has been shown as two" (at p. 15).

The foregoing authorities are exemplary of the actual limited and careful exercise of the doctrine of equivalents by the Courts so as to protect the patentee against inconsequential departures, such as one member for two, without any difference in operation or results. Assuredly, in the case at bar, the single opening of Petitioner's playpen is the full mechanical equivalent of the two holes of the

claim. This view is established beyond doubt by Petitioner's expert as well as that of Respondent.

Respondents maintain that the courts have consistently applied the doctrine of equivalents in a most conservative manner in mechanical cases so as to prevent any expansion of the claims in suit which might conceivably frustrate technological advance. The present case is one which falls into the classical category wherein the courts have construed the claims to prevent the unscrupulous copyist from immunity. The most narrow range of equivalents would certainly embrace a single opening for two openings.

The urging by Petitioner of the abrogation of the doctrine of equivalents must be viewed in context, that is, wherein the Petitioner is seeking a legal loop hole for evading paying full consideration for the assets purchased under the Contract for Purchase of Assets (A. 54a-63a).

Petitioner alludes to Title 35, U. S. C., Section 112 (see Petitioner's brief, page 13) for the purpose of suggesting that if the claims in question had incorporated a "means" clause in lieu of reference to the spaced openings, a more salutary situation would have developed. On the one hand, Petitioner expresses a concern about obstacles to advance in technology and progress, while on the other hand, it urges the adopting of language, if possible, which would be so encompassing that many areas of "advance" would be denied other than merely the substitution of one hole for two holes. It is Respondent's contention that the particular section of the Patent Code does not comprehend reference to an intangibility which is, in truth, what a hole is, namely—nothing. Consequently, a hole is not capable of "performing a specified function". The language proposed by Petitioner, namely "passing means" would, it is submitted, be quite unacceptable to the Patent Office and considered indefinite by the Courts since it describes

an active, performing element or instrumentality, as opposed to an opening. Openings or apertures in patent claim language may only be impositively included, that is, in dependency upon, or relative to, structure, in which such are formed. Respondent's claim, with construction so as to encompass the accused, single hole device, does not present even a nominal barrier to progress; while a claim, if permissible, as proposed by Petitioner, could only be construed to foreclose to technological advance a multiplicity of expedients over and above altering the number of openings.

Point III

File Wrapper Estoppel Not Applicable.

Petitioner has erroneously and inaccurately distorted the facts concerning the prosecution of the application which matured into U. S. Letters Patent No. 3,162,685 so that Question No. 3 presented for review, the first paragraph of Petitioner's Summary of Argument, as well as the portions of its brief at pages 14 and 15, are misleading and incorrect. Categorically, it is stated that Respondent **did not deliberately insert** the limitation with respect to either a pair of spaced openings or two openings during the prosecution for the purpose of avoiding rejection or to obtain allowance.

At three places on pages 14 and 15 of its brief, Petitioner asserts that Respondent caused the deliberate insertion of the limitation with respect to the two spaced openings. Yet, having designated the file wrapper as a part of the record of this appeal, Petitioner does not avail itself of any reference thereto for the purpose of supporting this unfounded, repeated assertion. Also, Petitioner failed to include in the Appendix the originally submitted claims, Nos. 1 to 7 inclusive, of the application in question and, thus, without the benefit of a complete record, Peti-

tioner, at page 14 of its brief, makes a wholly inaccurate statement with respect to original Claim 4.

To correct Petitioner's omission, Respondents, in an Addendum to this brief, set forth the original claims presented. Reference to the file history and the Addendum of this brief quickly disclose the absence of foundation for Petitioner's view.

Of the original claims, only Claim 4 included language relating to the openings, reciting—

"a pair of spaced openings".

This inescapable fact refutes the following statement at page 4 of Petitioner's brief:

> "It is noted that original claim 4 of the application which matured into the patent involved **did not** contain this limitation (a pair of spaced openings) * * *". (Emphasis ours.)

And at page 12 of Petitioner's brief:

> "The limitation of 'a pair of spaced openings' was added in newly presented claim 8" (Appendix 97a).

Manifestly, contrary to Petitioner's view, Respondent did not deliberately insert this limitation during the prosecution to avoid rejection. Compare this with Petitioner's statement:

> "Since the limitation of 'a pair of spaced openings' was deliberately put into the application by the applicant to avoid a rejection * * *" (p. 14 of brief).

The rejection of original Claim 4 by the Examiner upon the Adamson Patent in view of the May et al Patent was not based upon either of said Patents having a base plate with one, two, or more openings.

The rejection was based upon the ground that the provision of openings in the base plate of Adamson was unpatentable in view of May et al (A. 95a). By its response,

Amendment A (A. 97a-99a) Respondent cancelled all of the original claims, including Claim 4, **without prejudice,** for the purpose of defining "in more definite fashion the especial advance made in the art by applicant".

Claim 8, which ultimately became Claim 1 of the Patent in suit, was submitted by said Amendment and contained the same language as original Claim 4, namely the base plate "having a pair of spaced openings". This claim was also rejected by the Examiner as being unpatentable over the Adamson Patent in view of the May et al. Patent (A. 100a).

Then, by Amendment B (A. 102a-103a) Respondent amended Claim 8 to recite that the draw strings were threaded upwardly through the base plate openings; and that the mutual engagement of the draw strings was effected "above said base plate" providing a handle manipulatable by "upward pulling". Claim 8 as so amended was allowable (although certain informalities were to be corrected).

The facts of the prosecution in the Patent Office are diametrically opposed to Petitioner's version. Respondent did not deliberately insert "a pair of spaced openings" to secure allowance. This language was used from the beginning, constituting a part of the original claims. Although the Adamson Patent contains no holes whatever in its floor member 27, the Examiner consistently held that the provisions of openings therein was not per se a patentable feature.

The amendments to Claim 8 effected by Amendment B (A. 102a-103a) were indeed deliberately inserted to secure allowance. Consequently, if there is file wrapper estoppel in this case, it would only relate to said limitations which were inserted by this Amendment, namely, the upward threading of the draw strings and the mutual engagement

of the cross of the same above the base plate providing a handle (or grip). Petitioner has adopted, without the least variation, structure conforming identically with these critical features. In view of this copying at the point of invention, there is no need to resort to file wrapper estoppel. Respondents' position cannot be characterized as an attempt to recapture some element it gave up to obtain allowance. Petitioner's appropriation of the critical features is an "outright and forthright duplication".

Petitioner's argument is based upon facts which do not comport with reality. Respondents at no time recited "two holes" to overcome a reference with a single hole. Petitioner's statement that "The District Court and the Court of Appeals apparently took the position that the Examiner's original rejection of the broader claim was 'wrong'" is without foundation. The narrowing of the claims was directed to the precise relationship of the draw strings to the structure. There was no suggestion that either Court considered the rejection of any claim to be wrong since the allowed claim with restriction to the provision of the draw strings and the precise relationship to each other and to the structure are fully met by the accused construction.

In view of the actual fact situation, the various authorities cited in Petitioner, including **Schriber Co. v. Cleveland Trust Co.** (Sup. Ct.—1941), 311 U. S. 211, are without pertinency.

The comment in footnote 15 of the Government's *amicus curiae* brief indicates that careful attention was not given the file history since the reference to "a pair of spaced openings" was not inserted "to help induce its issuance".

Therefore, the doctrine of file wrapper estoppel is wholly inapplicable in the present instance and refusal of the District Court to apply same and the affirmation thereof by the Court of Appeals is correct.

Point IV

Having Failed to Urge Invalidity at an Earlier Stage in This Lawsuit, Petitioner Should Not Be Permitted to Contest Validity by Reason of the Holding of This Court in Lear v. Adkins (1969), 89 Sup. Ct. 1902.

Petitioner would treat the holding of this Court in **Lear v. Adkins**, supra, as an initial opening of the door to an attack on an assigned (or licensed) patent by an assignee (or licensee). Study of the Court's opinion demonstrates that the overruling of the holding in **Automatic Radio Co. v. Hazeltine Research, Inc.** (1950), 39 U. S. 827, was in effect a housekeeping operation, merely completing the opening of a door which was almost fully open at the time. The Court observed that the existence of the innumerable exceptions to this Rule left very little substance so that the holding completed the last, small step toward demise of the rule. Petitioner would urge that it was under such a strict disability prior to **Lear v. Adkins** it was prevented from in any way attacking or depreciating the patent which it owned.

In its Petition for a Writ of Certiorari, at page 6 thereof, Petitioner states that it was not in a position to show inequitable conduct on the part of the Licensor by reason of the estoppel doctrine. Albeit in fact, there was no such conduct on the part of Licensor, the exceptions to the doctrine of estoppel permit the introduction into evidence of patent misuse.

At the same point in its Petition, Petitioner asserts that it could not show that the alleged invention of the patent in suit was an actual copy of an expired patent. Even though this statement has no relation to the Golden Convertible Patent, it is an inaccurate statement of the accepted decisional law, as such would fall within the **"Scott Exception." Lear v. Adkins**, supra.

Another exception available to Petitioner would be the offer in evidence of prior art for the purpose of narrowing the scope of the claims. This exception was noted by this Court in **Lear v. Adkins**, supra, and was an expedient known by Petitioner to be available to it, as witness the exchange with the Court concerning the Play-A-Round Patent at page 129a-3 of the Appendix and on page 7 of its petition.

Another avenue open to Petitioner for introducing any prior art that it might have would be the exception to the doctrine through eviction or failure of consideration. By its tardily asserted defense with respect to the alleged automatic cancellation of the underlying assignment (see Point VI), Petitioner contends that it has been evicted from its enjoyment of the Golden Convertible Patent. Such evictions have long been recognized as a defense to a suit for royalties. **Drackett Chemical Co. v. Chamberlain Co.** (CCA 6—1933), 63 F. 2d 853. In eviction cases, evidence of the invalidity of the licensed patent may be admitted. **Pratt v. Paris Gaslight & Coke Co.**, 168 U. S. 255; **Marston v. Swett**, 82 N. Y. 526, 534; **Potterton v. Condit**, 218 Mass. 216, 105 N. E. 443; **Victory Bottle Capping Mach. Co., Inc. v. O-J Mach. Co.** (CCA 1—1922), 280 F. 753, 759. Petitioner's urging of failure of consideration by such alleged automatic cancellation set up another means whereby it could have introduced prior art, if it had such, to invalidate the Golden Convertible Patent.

In addition to the foregoing, numerous other exceptions to the erstwhile doctrine were discussed in this Court's decision in **Lear v. Adkins**, supra, demonstrating very little substance remaining to the fabric of this doctrine at the time of that decision. The Court observed that prior to its decision, a patent owner

> "* * * could not confidently rely upon the continuing vitality of the doctrine"

In this case Respondent would have expected Petitioner to earnestly undertake all efforts to establish invalidity and its failure to do so leads to the inescapable conclusion that it could not do so.

At numerous junctures in its brief, Petitioner pleads that it could not contest the validity of the Golden Convertible Patent and, yet, by Petitioner's conduct with respect to the now withdrawn Play-A-Round Patent, it demonstrated a knowledge of the exceptions relating to patent misuse, to conformity with an expired patent, and to the use of prior art for narrowing the scope of the claims. Yet it made no offer under these exceptions. Petitioner would be expected to know the exception resulting from the asserted eviction. Therefore, judicially approved means for attacking the validity of the Patent in suit were not utilized by Petitioner. Furthermore, human experience would indicate that if a party, such as Petitioner, knew of invalidating prior art, it would have brought same to the attention of its assignor or licensor, as the case may be, and would have made every endeavor to introduce same into the judicial proceedings in this case. Even if Petitioner was wholly ignorant—and it wasn't—of the exceptions to the estoppel doctrine, it could only have been expected to do everything within its power to bring invalidating prior art to the attention of the Courts, even by an offer to introduce.

At this late stage of the proceedings, and after the termination of the five year period for the over-ride payments, Petitioner has yet to make known to Respondents, as well as to any Court, such "additional prior art", "significant prior art", "other prior art", etc., to which it makes mysterious reference in its brief.

In **Lear v. Adkins**, supra, the licensee made an investigation of the Patent Office records during the pendency of Adkins' patent application and uncovered what it

believed to be an anticipation of Adkins' discovery. The licensor was advised of this invalidating prior art before suit, and at every stage of the lawsuit, Lear sought to prove the invalidity of the licensed patent. The facts of that case are entirely different from the facts of the present case, as herein the Petitioner at no stage has attempted to plead or demonstrate the invalidity of the assigned patent and now after five years and this second appeal does Petitioner for the first time urge invalidity as a defense.

It seems fair to assume that Petitioner believed that its colorable modification of the claimed structure in the Golden Convertible Patent would be adequate to relieve it of its obligation to make the agreed upon payments. It seems also fair to assume that despite its knowledge of certain exceptions to the estoppel doctrine, it did not use same since it knew of no invalidating prior art.

Now Petitioner would subvert the holding of this Court in **Lear v. Adkins** to construe it as judicial permission to rectify any mistakes it made in the Courts below. The objective existence of any prior art was not dependent upon **Lear v. Adkins**, as any such art was equally accessible to Petitioner in 1965 as it would be in 1970. Therefore, Respondents respectfully contend that this Court did not intend **Lear v. Adkins** to constitute an excuse whereby litigants may be given a second opportunity to either try to find prior art that it could not find the first time around, or to make an initial search for prior art which it should have made in the first place.

Respondents do not believe that this Court intended **Lear v. Adkins** to permit the raising of new issues on appeals; to affect the standards for determining whether an article is covered by the claims of a patent; or to promote the protraction of litigation so that parties are offered additional opportunities to retry issues that should have been tried in the first place.

Point V

Validity of U. S. Letters Patent No. 3,162,865 Not in Issue.

As discussed above (pp. 24 et seq.), Petitioner has not attempted to raise the issue of validity, nor was such pleaded, and now seeks to do so at this juncture upon the ground that the same is permissible in view of this Court's holding in **Lear v. Adkins,** supra. It is improper to raise on appeal an issue which has not been considered by the lower Courts and a study of **Lear v. Adkins,** supra, does not reveal that the holding of this Court therein was to have any effect upon the lack of propriety of a litigant raising new issues on appeal.

In **Walters v. City of St. Louis** (1954), 347 U. S. 231, 233, this Court stated:

> "Of course, we will, not undertake to review what the Court below did not decide".

In **Hap Corp. v. Heyman Mfg. Co.** (CCA 1—1962), 311 F. 2d 839, 134 USPQ 285, Cert. denied, 373 U. S. 903, the defendant sought on appeal to raise the issue of validity of the patents in suit, and the Court held that defendant could not raise this ground for obtaining reversal in view of its failure to dispute the issue of validity below. Also apt is the statement of the Court in **Wagner v. Retail Credit Co.** (CCA 7—1964), 338 F. 2d 598, 601:

> "It is axiomatic that a litigant cannot present arguments in this Court which it did not present to the Court below."

In **Desert Palace, Inc. v. Salisbury** (CCA 7—1968), 401 F. 2d 320, 324, the Court held:

> "We need only a few of the many cases which have held that a litigant cannot present to this Court as a ground for reversal an issue which was not presented to the trial court and which it, therefore, had no opportunity to decide".

Also see **Beechwood Lumber Co. v. Tobin** (CCA 5—1952), 199 F. 2d 878, 881; **Brown v. Collins** (CCA D. C.—1968), 402 F. 2d 209, 213. Therefore, it is submitted that the issue of validity is not properly before this Court.

Regardless of the ruling in **Lear v. Adkins**, supra, Petitioner has at no time been estopped to inform Respondents and the Courts below of the existence of any "other prior art" than that cited by the Examiner. Any such "prior art" had an existence independent of the decision of this Court in **Lear v. Adkins**, since to be pertinent it would have to be of a date prior to July 17, 1960, almost 9 years prior to the decision of the said case. Petitioner's comments indicate that Petitioner wishes to exploit the decision of **Lear v. Adkins** to permit a second chance.

Accordingly, the issue of validity is not properly before this Court and to allow a reopening for this issue would be inequitable, involving substantial costs and expenses merely to give Petitioner a second chance.

Point VI

Respondent's Assignment of Its Over-Ride Payments Did Not Work a Cancellation of Any Agreement.

Petitioner erroneously contends that the Assignment for the Benefit of Creditors (A. 67a-75a) by Respondent of its right to receive the 2% over-ride payment in some way effected a failure of title to the patent in suit, No. 3,162,865, in Petitioner's subsidiary, Jackson Furniture Corporation. Petitioner thus concedes that at the time of execution of the Contract for Purchase of Assets (A. 54a-63a, November 25, 1964) Respondent had full title in and to the application upon which said Patent was granted, and that Respondent did convey good title thereto to Jackson Furniture Corporation by the Document of

Assignment of Patent Rights executed December 22, 1964 (A. 76a-80a).*

By said assignment, any legal relationship between Respondent, Tigrett Industries, Inc., and John Burton Tigrett relating to the patent in suit was extinguished, and, henceforth John Burton Tigrett had to look to Jackson Furniture Corporation for performance under the Agreement which had been originally entered into in 1961 with Respondent. The clear legal effect of the Assignment of Patent Rights (A. 76a-80a) was to relieve Tigrett Industries, Inc. of any legal obligations and privileges in regard to John Burton Tigrett, and the substitution of Jackson Furniture Corporation for Tigrett Industries was acknowledged by the parties by the following language in the Assignment of Patent Rights, to wit:

> "And the Jackson Furniture Corporation, the purchaser, agrees to abide by all the obligations, terms, and conditions of the seller herein, Tigrett Industries, Inc., as more specifically set forth in an agreement dated July 19, 1961, between John Burton Tigrett of Jackson, Tennessee, and Tigrett Industries, Inc."

By the Documents of Assignment of Patent Rights, Respondent, Tigrett Industries, ceased being a party to the Agreement with John Burton Tigrett of July 19, 1961, and, by reason of the Assignment, no longer possessed any interest whatever in the patent in suit.

The Assignment for the Benefit of Creditors (A. 67a-75a) was executed over four months after the execution

---

* It is to be understood that all statements with respect to the Golden Convertible Patent No. 3,162,865 are equally applicable with respect to the Play-A-Round Patent No. 2,790,978 since the agreements and assignments with respect to the same were identical with the corresponding documents relative to the Golden Convertible Patent. Thus, the discussion under Point VI for purposes of convenience only has been restricted to the Golden Convertible Patent.

of the said Assignments of Patent Rights and, as pointed out above, Respondent assigned thereby only its right to the 2% over-ride which right was established by the Contract for Purchase of Assets signed November 24, 1964. The assigned rights to the over-ride were not acquired by virtue of the Agreements with John Burton Tigrett.

It is Petitioner's contention that by virtue of the cancellation clause in each of the Agreements between Respondent, Tigrett Industries, Inc., and John Burton Tigrett, to wit:

> "This Agreement shall automatically be cancelled and terminated in the event of bankruptcy of Purchaser or assignment by Purchaser for the benefit of creditors. . . . In the Event of cancellation or termination of this agreement as provided herein, this agreement shall operate and function as a re-assignment to Vendor of all the right, title and interest in and to said invention and improvements and all applications and patents coming hereunder."

the said Assignment for Benefit of Creditors by Respondent, four months after it had divested itself of any and all interest or title in the patent in suit, in some way worked a failure of title in Petitioner amounting to an eviction. Under "Summary of Argument", Petitioner alleges:

> "3. The original agreement providing for the payment of royalties became void at the time Tigrett Industries, Inc. made an assignment for the benefit of creditors since **title of the patent in said Tigrett Industries ceased upon that event**" (Emphasis supplied).

At page 21 of its brief, Petitioner asserts that title

> "failed immediately upon the assignment for the benefit of creditors".

This position was manifestly a belated afterthought on the part of Petitioner since it did not suggest such a view until December, 1966, over 1 year after the filing of the bill of complaint and 20 months after the Assignment for the Benefit of Creditors, and then such suggestion was oral and informal only. This tenuous view of Petitioner is clearly not earnestly urged but merely asserted as a rationalization for its conduct. The transaction between Petitioner and Respondent was the sale of a going business and the patent matters were but a part of the overall transaction. If, in truth, Petitioner had felt that it was divested of title at the time of the Notice of Assignment, one would have expected a most strenuous remonstrance on its part for fear that it was being deprived of an asset it obtained by the transaction. There was no such remonstrance and Petitioner freely continued to sell the Golden Convertible Playpen, the market for which had been established by Respondent. To demonstrate further its inconsistency, Petitioner did not make any offer to pay royalties accruing between April 1 and April 26, or to make reports on any activities of the structure in question for that period. Compare this fact with following statement on page 6 of Petitioner's brief:

> "Petitioner paid royalties to the Respondent **until the date** of the aforesaid assignment for the benefit of creditors * * *" (Emphasis ours).

At page 22 of its brief, Petitioner states:

> "The license agreement herein was executed by both parties in New York and, therefore, under well-established conflict of law rules, the law of New York applies to the agreement."

Since there is no "license agreement" between Respondent and Petitioner, it is assumed that Petitioner has reference to the Contract for Purchase of Assets (A. 54a-63a) which admittedly was executed by the parties in New

York. However, the place of execution of said contract is not controlling herein with respect to the Assignment of Patent Rights (A. 76a-80a) the legal ramification of which Petitioner seeks to avoid by resort to the automatic cancellation provision in the original agreements between Respondent and John Burton Tigrett. The Assignments of Patent Rights were executed in Jackson, Tennessee by Respondent, a Delaware corporation, qualified to do business in the State of Tennessee, and by Jackson Furniture Corporation, a Tennessee corporation. The original agreements between Tigrett Industries, Inc., and John Burton Tigrett were also executed in Tennessee with John Burton Tigrett being a resident of that State; these being the Agreements to which Jackson Furniture Corporation is now a party. These original Agreements were executed in Tennessee and require obligations to be performed by a Tennessee corporation (Jackson Furniture Corporation) for the benefit of a foreign corporation qualified in Tennessee (Tigrett Industries, Inc.) and of a Tennessee individual (John Burton Tigrett) from operations carried on in the State of Tennessee. As noted above (pages 32-33) the Contract for Purchase of Assets specified that the closing of the sale was to take place in Jackson, Tennessee (A. 60a).

Therefore, the Agreements here under consideration must be governed by the laws of the State of Tennessee which follows the general rule that the validity of a contract with the subsequent rights of the parties to it are to be governed by the law of the place where the contract is made. **Pratt v. Globe Mutual Life Insurance Co.**, 17 S. W. 352 (1875); **Sloan v. Jones**, 241 S. W. 2d 506 (1951); **Moody v. Kirkpatrick**, 234 F. Supp. 537 (1964). The Supreme Court of Tennessee aptly stated in the **Sloan case**, supra, at page 509:

> "It is a familiar rule that the construction and validity of a contract are governed by the law of the

> place where the contract is made (citing cases). The Court of Appeals in **Moak v. Continental Casualty Co.**, 4 Tenn. App. 287, expressed it thus: 'The lex loci contractus becomes as much a part of the contract as if specifically incorporated therein, and in the absence of evidence of contrary intention, the parties must be held to have contemplated the application of that law to the terms of their agreement.' ''

There is no basis in law or in fact for asserting that the laws of New York have any bearing upon the significance of these Agreements. Thus the case of **Mason v. Electrol, Inc.** (1944), 292 N. Y. 482, which is not in point in the first place, becomes even of less value in consideration of this issue.

Accordingly, the Assignment of Patent Rights and the underlying Agreements wherein Jackson Furniture Corporation succeeded Respondent are to be construed by Tennessee Law and by general contract law. The Tennessee Court of Appeals in **Brummitt Tire Co. v. Sinclair Refining Co.** (1934), 18 Tenn. App. 270, certiorari being denied by the Supreme Court, held that the term ''assignment'' purports the transfer of all of the assignor's interest to the assignee, and, as is often said, the assignee stands in the shoes of the assignor. This principle of law was later upheld by the Tennessee Supreme Court in **Stone v. Martin** (1947), 185 Tenn. 365, 372 and is likewise given strong support by general authorities as well as the courts of other jurisdictions. In **6 Am. Jur. 2d**, Assignments, Sec. 111, at page 293, it is stated thusly:

> ''If the assignor clearly delegates the duties as well as makes an absolute and complete assignment of the rights, a reasonable interpretation of the bargain is that, in the absence of circumstances showing a contrary intention, the assignee impliedly undertakes the performance of the duties, and he is bound by the

terms of the contract to the same extent as the assignor."

The Restatement of the Law of Contracts also supports the Respondent's position that Pettinger replaced Respondent. Section 164 of the Restatement reads as follows:

> "INTERPRETATION OF WORDS PURPORTING TO ASSIGN A BILATERAL CONTRACT; EFFECT OF ACCEPTANCE OF THE ASSIGNMENT.
>
> (1) Where a party to a bilateral contract which is at the time wholly or partially executory on both sides, purports to assign the whole contract, this action is interpreted, in the absence of circumstances showing a contrary intention, as an assignment of the assignor's rights under the contract and a delegation of the performance of the assignor's duties.
>
> (2) Acceptance by the assignee of such an assignment is interpreted, in the absence of circumstances showing a contrary intention, as both an assent to become an assignee of the assignor's rights and as a promise to the assignor to assume the performance of the assignor's duties."

As succinctly put in **Corbin on Contracts**, pages 637-638:

> "The transfer of property in land or chattels is the extinguishment of the legal relations of the former owner with the rest of the world. The assignment of a contract right extinguishes the right of the assignor against a third person, and substitutes a precisely similar one in the assignee."

The Supreme Courts of other jurisdictions have held that the question of whether a purported assignment of an entire contract includes the assumption of the duties as well as the rights depends upon the terms and intent of the parties. **Bagley v. Smith** (Utah), 333 Pacific 2d 465; **Lumsden v. Loth** (Cal.), 291 Pacific 2d 88.

As can be readily ascertained from the four corners of the instruments herein, there can be no doubt as to what was intended by the parties. Respondent "sold, assigned, transferred and conveyed" its "entire right and interest" in the patent to Jackson Furniture Corporation, and the latter, "the purchaser," agreed to abide by all the obligations, terms and conditions of Tigrett Industries, Inc., under an agreement dated July 19, 1961 between it and John Burton Tigrett.

By its Assignment of Patent Rights to Petitioner, Respondent divested itself of all right or control over the subject matter—namely, the ownership of the patents and the obligation to pay royalties thereon. **First National Bank of Topeka v. United Telephone Association, Inc.** (Kansas), 355 Pacific 2d 963, 973. Thus, from and after December 22, 1964, the effect of the provisions of the original Agreements with John Burton Tigrett were determined solely upon what Jackson Furniture Corporation did and not what Tigrett Industries, Inc. might do.

Contrary to Petitioner's assertion, the District Court and the Court of Appeals did not make a new contract for the parties but merely interpreted the Agreements by resort to the plain, simple, and straightforward language thereof. There was no need to resort to any violence to, or distortion of, the language.

It may be noted that the **Mason case**, supra, upon which Petitioner places strong reliance, was concerned with a set of facts entirely different from that in the case at bar. In the **Mason case** the Court held that an automatic cancellation clause was set in motion by the conduct of one who was a **party to the agreement at the time of the occurrence of the particular event.** In the present case, Tigrett Industries was not a party to any of the agreements involved at the time of the Assignment for the Benefit of Creditors. Therefore, in not being a party, its activities were without consequence to Petitioner. The

Mason case is without pertinency. It is submitted that the authorities cited by Petitioner on pages 22 and 23 of its brief are not in point with respect to the controversy before this Court, and none of the cases on page 23 deal with a factual situation remotely resembling that of the present case nor do any of these authorities even involve automatic termination provisions.

Point VII

Matter of Refund of Royalties.

The payment of royalties by Petitioner for only the first quarter of 1965 and only upon the Golden Convertible Playpen is an admission against interest, being a recognition by Petitioner that the construction involved in this case was covered by the Golden Convertible Patent. The subsequent withholding of royalties amounted to a refusal to pay the agreed consideration for the business it had acquired and currently enjoys. This litigation which is essentially an issue of whether one hole equals two holes is but a thin mask adopted by Petitioner to give an aura of superficial propriety to its being the one who caused a failure of consideration.

CONCLUSION

The determination of the United States Court of Appeals for the Sixth Circuit should be in all respects affirmed.

Respectfully submitted

RALPH W. KALISH,
Suite 1604
721 Olive Street
St. Louis; Missouri

HEWITT P. TOMLIN, JR.
106 South Liberty Street
Jackson, Tennessee
Attorneys for Appellants

ADDENDUM TO THE RESPONDENTS' BRIEF

1

An article of infant furniture comprising a top rim-forming member, a base plate, means suspended from said top rim-forming means for retaining said base plate, a bottom member in planar parallel relation to said top rim-forming member and below said base plate for support thereof, legs engaged to said top rim-forming member and depending therefrom, and means detachably engaging said bottom member to said legs.

2

An article of infant furniture as defined in claim 1 and further characterized by said means suspended from said top rim-forming member being flexible, and adapted for extension and contraction for disposing said base plate in selected vertically spaced relation to said top rim-forming member.

3

An article of infant furniture as defined in claim 1 and further characterized by said means suspended from said top rim-forming member comprising a flexible netting having a general tubular form for receiving the said base plate in normal relation to the axis of said tubular netting, said netting at its lower end extending inwardly beneath said base plate.

4

An article of furniture as defined in claim 3 and further characterized by drawstrings engaged to the lower end edge of said netting, said base plate having a pair of spaced openings, said drawstrings being threaded through said openings for convenient manipulation for contracting of said netting to raise said base plate.

5

An article of infant furniture comprising a top rim-forming member, a base plate, means suspended from said top rim-forming means for retaining said base plate, a bottom member in planar parallel relation to said top rim-forming member and below said base plate for support thereof, upper, tubular leg sections engaged to said top rim-forming member for dependence therefrom, lower leg sections slideably received within said upper leg sections, means for inter-engaging said related leg sections for selectedly controlling the joint lengths thereof, and means detachably engaging said bottom member to said upper leg sections.

6

An article of infant furniture comprising a top rim-forming member, a base plate, means suspended from said top rim-forming means for retaining said base plate, a bottom member in planar parallel relation to said top rim-forming member and below said base plate for support thereof, upper, tubular leg sections engaged to said top-rim-forming member for dependence therefrom, lower leg sections slideably received within said upper leg sections, said upper leg sections each having a plurality of vertically spaced openings, means carried on said lower leg sections for engaging a preselected opening in the associated upper leg section for controlling the joint length of said related leg section 3, and means mounted on said bottom member for selected engagement within one of the openings of said upper leg sections for maintaining said base plate in desired vertically spaced relation to said top rim-forming member.

7

An article of infant furniture as defined in claim 5 and further characterized by said upper leg sections being pivotally connected to said top rim-forming member for swinging between extended or operative position and collapsed or inoperative position.

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC.,
Petitioner,

vs.

TIGRETT INDUSTRIES, INC., et al.,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit

RESPONDENTS' BRIEF IN REPLY TO AMICUS CURIAE BRIEF FOR THE UNITED STATES

ARGUMENT

Point I

The Doctrine of Equivalents Compatible With the Dominant Policies of the Federal Patent System.

A. Statutory Requirements of Precise Claiming Have Been Consistent Since at Least 1836

The Government appears to contend that the "requirement of specificity" in 35 U. S. C. 112 constitutes a mandate for precision in claiming an invention which departs

from corresponding requirements of predecessor Patent Acts. At page 6 of its brief, the Government asserts that the decision of this Court in **Graver Tank Mfg. Co. v. Linde Air Products Co.** (1950), 339 U. S. 605, sometimes referred to herein as the "second Graver case," failed

> "to give adequate weight to the **statutory changes** which have occurred since the Doctrine's origins."

It is submitted that this Court in 1950 was concerned with the same statutory requirement for claiming as this Court is today under the Patent Act of 1952.

The pertinent clause of the Act of 1836 provided:

> "* * * shall **particularly specify and point out** the part, improvement, or combination **which he claims** as his own invention or discovery."
> (5 Statutes at Large 117 Sec. 6.)
> (Emphasis ours.)

The corresponding clause in the Consolidated Patent Act of 1870 provided:

> "* * * shall **particularly point out and distinctly claim** the part, improvement, or combination which he claims as his invention or discovery * * *."
> (16 Statutes at Large 198, Sec. 26.)
> (Emphasis ours.)

The related portion of the current Statute, the Patent Act of 1952, provides as follows:

> "* * * **particularly pointing out and distinctly claiming** the subject matter which the applicant regards as his invention."
> (35 U. S. C. 112.) (Emphasis ours.)

It is submitted that the language in the 1870 Act and the current Act is identical and that the word "specify" as used in the Act of 1836 does not establish any lower requirement for preciseness in claiming under that Act

than under the present Act. Reference to Webster's Dictionary reveals that the words "specify" and "distinct" both relate to "definiteness". Therefore, this Court had before it the same statutory requirement in 1892 in the case of **Hoyt v. Horne** (1892), 145 U. S. 302, that it had in 1950 in the **Graver case**, supra, and that it has today under the Act of 1952.

At page 12 of its brief the Government states that the decision by this Court in 1854 in **Winans v. Denmead**, 15 How. 330, was "under the significantly different statutory scheme of the 1836 Patent Law, which did not require specificity in claiming." Since that Act requires the inventor to "particularly specify" the part "which he claims", the basis for the Government's statement is not comprehended. The requirements for defining the patent monopoly were statutorily as restrictive in 1836 as they are in 1970. In its footnote 8, the Government alludes to difficulties in determining infringement with respect to patents granted under the Patent Act of 1793 (**Evans v. Eaton**, 3 Wheat 454; **Hogg v. Emerson**, 6 How. 436). A consideration of this original Act should not divert attention from the fact that the requirements for claiming are identical under the Acts of 1870 and 1952. Therefore, the doctrine of equivalents has been resorted to by the Courts as an aid in claim construction for a combined period of 100 years under Acts having the same language and for almost 120 years when the substantially identical language of the Act of 1836 is jointly considered. Throughout this period the Courts have thus applied the doctrine with full recognition of the statutory requirements for claiming and of the need to safeguard the public from unjustified assertions of monopoly power.

At pages 12 and 13 of its brief, the Government observes that the **Winans case**, supra, which originated the doctrine of equivalents, was decided "more than a half

century before the enactment of the first Federal Anti-Trust Laws which added a new dimension to the interpretation of patent statutes". As the Courts have consistently continued to apply the doctrine of equivalents since the enactment of the first federal anti-trust law in 1890, 80 years ago, one cannot accept the inference that the doctrine of equivalents would not have originated had the anti-trust laws been in effect at the time of the **Winans case**. The existence of these laws has not affected the manner of application of the doctrine of equivalents, as for example only, in the **Sanitary Refrigerator case**, supra, in 1929, and in the second **Graver case**, supra, in 1950, and the decisions of the various courts of appeals.

There is no contention as to the claim being the measure of the grant. As discussed below the doctrine of equivalents is not a tool wielded by the Courts to expand monopolies significantly, but rather an aid to assist in the proper construction of a claim which may well cause narrowing or contraction, as well as limited extension to comprehend colorable deviations.

B. Doctrine of Equivalents Not Inconsistent With Statutory Requirements of Claiming

The Government's desire to do away with the doctrine of equivalents is founded upon a fear of judicial utilization of this doctrine, as the Government states:

> "* * * the doctrine of equivalents authorizes judicial expansion of patent monopolies **significantly** beyond the dimensions granted by the Patent Office" (Emphasis ours).

The Government further asserts that the doctrine "discourages inventive efforts", preventing competitors "seeking to invent around the subject of a patent from relying * * * on the patent claims themselves * * *". It also avers that the "doctrine's economic impact tends to undermine

the paramount public interest in competitive technological advancement reflected in that system (patent)".

The Government expresses anxiety as to how expansively Courts might apply patents under the doctrine and, thus, the aim of its attack is to reduce determination of infringement to an objective scientific inquiry and avoid the intercession of human judgment. However, the Government at page 18 of its brief, does admit that its proposed test of infringement "would not obviate the need for the exercise of judgment in close cases". It is submitted that a study of the decisions reveals that the doctrine is used only in close cases.

The Government's thesis reflects an understandable ambivalence, advancing inconsistent and contradictory views. The dilemma is comprehensible.

The Government fears that, despite 120 years of experience, the doctrine "prevents inventing around". By its very terms, this language indicates a concern that others will not exercise inventive ingenuity or exercise a skill over and above those skilled in a particular art. Yet the Government does observe that the doctrine is applied only to expedients which were "sufficiently obvious" to preclude patentability. In the case of **Reese v. Gould** (1871), 15 Wall. 187, this Court in applying the doctrine of equivalents stated:

> "Unquestionably, the withdrawal of one ingredient in a patented combination and the substitution of another, **which was well known at the date of the patent**, as a proper substitute for the one withdrawn, is a mere formal alteration of the combination. . . ."

Through the years the Courts have limited the doctrine to this condition. If a thing was well known at the date of a patent (and certainly in the present case, Petitioner's opening was well known at the time of the issuance of the patent in suit), it could not be considered a result of the

exercise of invention. Similarly, the substitution of that which was "sufficiently obvious" or "was well known at the date of the patent" could not be considered as a technological advance. The Government voices a concern that the doctrine is obstructive of inventive effort, while concurrently observing that the Courts have consistently applied the doctrine only where the substituted element was well known, and hence, not the subject of invention.

The Government asserts that the doctrine "puts in issue a range of inquiry that goes far beyond the terms of the claim" to allow a Court to determine "what was sufficiently obvious." This inquiry is salutary as it provides a judicially imposed safeguard against the undesired expansion of the claims. Although the cases are legion, demonstrating benefits of this inquiry, exemplary is the statement of the Court in **Hap Corp. v. Heyman Mfg. Co.** (CCA 1—1962), 135 USPQ 285, 288:

> "We cannot apply the doctrine of equavalents with so lavish a hand unless we say that any gripping device which has 'fingers' is an equivalent. In the state of the art, the Examiner constantly refused to take such a view. So must we".

With respect to the issue of validity, the Government is silent as to the range of inquiry permitted. It seems a strange double standard to make boundless inquiry directed to the issue of validity and to urge, in effect, no inquiry to determine what was "sufficiently obvious". Despite the Government's protestations, the withdrawal of the appropriate inquiry will result in the patentee being a victim of verbalism.

Throughout its brief, the Government presses for a precision and specificity in claiming which would approximate an almost mathematical exactitude. It is submitted that the patent in the present suit does contain claims meeting the strict requirements desired by the Government. Yet

the Government in referring to the provisions of the third paragraph of 35 U. S. C. 112, infers that a more comprehensive "means" clause might have been used in lieu of the clause in the claim in suit calling for "a pair of spaced openings" (see Footnote 15). Although Respondents seriously question if the Government could truly draft an acceptable means clause to define the openings, it is urged, arguendo, that the use of a "means clause" would serve only to embrace a potential range of equivalents far exceeding the use of openings. Thus, a patentee would be more likely to prevent "inventing around" by such comprehensive language, and, surely, such a clause would permit of an expansion of the claim so as to include structure beyond the farthest contemplation of the patentee. The urging of specificity on the one hand, and the approval of a "means clause" on the other hand, poses a contradiction underscoring the inherent dilemma of the Government's position.

The Government has not commented upon the application of the doctrine of equivalents for restricting or contracting a claim. This internal or opposite application of the doctrine of equivalents is adopted by Courts in situations wherein the accused device, though literally reading upon the exact language of the claim, is found not to be the equivalent of the structure claimed. See **Westinghouse v. Boyden Power Brake Co.** (Sup. Ct.—1898), 170 U. S. 537; 43 **Journal of the Patent Office Society** 291 (May, 1966); **Bowser, Inc. v. Filters, Inc.** (CCA 9—1968), 396 F. 2d 296, 297, 158 USPQ 305, 306; **Foster Cathead Co. v. Hasha** (CCA 5—1967), 382 F. 2d 761, 765, 155 USPQ 177, 180. Cert. denied 390 U. S. 906 (1968). In this last mentioned case, the Court stated:

> "However, that Foster's device may come within the literal wording of Hasha's claims does not in any event, end the matter * * * Accordingly, no matter how broad the claims may be when taken literally,

> and even though they may avoid the prior art when given the broadest interpretation, nevertheless, the claims **can only cover the particular embodiment the patentee has disclosed and equivalents thereof**". (Emphasis ours.)

In considering this application of the doctrine, the Court in **Bowser, Inc. v. Filter, Inc.**, *supra*, stated:

> "An opposite application of the doctrine is made, however, in the reverse situation to find no infringement by a product falling within the language of the claim which functions differently".

By following the Government's position, since the specific language of the claims is met, there would be infringement in cases of this type. Certainly such a double standard wherein inquiry as to equivalents may be made for the purpose of restricting or contracting a claim but denying a like inquiry to extend a claim, subject to judicial safeguards, to comprehend an equivalent, would seem quite untenable.

The Government directs its attack only against the external application of the doctrine of equivalents and seeks to rely upon a precision in expression which will in some way reduce the need to resort to human judgment in determining infringement. However, "infringement is not a mere matter of words"—**Grant v. Koppl** (CCA 9—1938), 99 F. 2d 106, 110, 30 USPQ 36. Also apt is the statement of the Court in **Matthews v. Koolvent Metal Awning Co.** (CCA 5—1946), 158 F. 2d 37, 40, 71 USPQ 219, reversing, 60 F. Supp. 3, 64 USPQ 456, as follows:

> "**The doctrine of equivalency has never been a dry bone doctrine.** Put forward to do justice and prevent defrauding by dissimulation and dissent, it should be, it has been, applied to give its equitable purpose effect." (Emphasis ours.)

The doctrine of equivalents, contrary to the Government's view, is not "surprisingly incompatible" with the principle that the claims are the measure of the grant. The inconsistencies and contradictions inherent in the Government's position, as lightly touched upon above, attests to the validity of the doctrine. The effective use of the same by the Courts in what are "close cases" through the years demonstrates a most happy and effective compatibility.

C. The New Test Urged by the Government Is a Re-Statement of the Doctrine of Equivalents as Applied by the Courts

Although the Government questions the validity of the principles of the **second Graver case**, supra, it does, in espousing its proposed test of infringement, affirm the fundamental views of the Court in that case. The Government agrees that "outright and forthright duplication is a dull and very rare type of infringement" (339 U. S. at 607); "that inventors should not be placed 'at the mercy of verbalism'; and that 'form should not be exalted over substance in the test of infringement' (339 U. S. at 607)". The Government, in noting the dissent within the Court in the **second Graver case**, supra, does not subscribe to the concept that "forbidden infringement be limited to carbon copying." Despite the Government's insistence upon precision in claiming, the Government still agrees that patentees should "be protected against imitations which involve **only colorable or trivial deviations** from the literal terms of the patent claims." (Emphasis ours.) The Government therefore approves of authorizing judicial expansion so as to extend a claim to cover devices which embody mere colorable or trivial deviations. It is submitted that the proposed test of infringement is but a re-statement of the exact manner in which the Courts have applied the doctrine. Conceivably, the

word "equivalents" causes the difficulty as it may connote a breadth greater than "colorable deviation" or "colorable difference". It is not the verbiage but the manner of application, and the Courts have consistently applied the doctrine externally to only the extent of preventing "colorable or trivial deviations".

In the early case of **Reese v. Gould**, supra, involving infringement of an invention consisting of a new combination of old ingredients, the Court in holding infringement stated:

> "**Mere formal alterations** of a combination in Letters Patent do not constitute any defense to the charge of infringement, as the inventor of an invention is as much entitled to suppress every other invention of the same ingredients to produce the same results **not substantially different** from what he has invented and caused to be patented, as the inventor of any other patent improvement." (Emphasis ours) (82 U. S. 187, 192.)

In **Sanitary Refrigerator Company v. Winters** (Sup. Ct. 1929), 280 U. S. 30, in finding infringement by application of the doctrine, this Court stated (at page 42):

> "**That mere colorable departures** from the patented devices do not avoid infringement, * * * And even where in view of the state of the art, the invention must be restricted to the form shown and described by the patentee and cannot be extended to embrace a new form which is substantial departure therefrom it is nevertheless infringed by a device in which there is **no substantial departure** from the description in the patent, but a mere colorable departure therefrom." (Emphasis ours.)

This Court in the **second Graver case**, supra, likewise acknowledged that the doctrine was to be applied so as to prevent (at page 607):

> "the unscrupulous copyist to; make **unimportant and insubstantial changes and substitutions** in the patent which **though adding nothing** would be enough to take the copied matter outside the claim, and hence outside the reach of law." (Emphasis ours.)

This Court also aptly stated (at page 612):

> "Though the infringement was not literal, the changes which avoid literal infringement are **colorable only**". (Emphasis ours.)

In **Matthews v. Koolvent Metal Awning Co.** (CCA 5—1946), 158 F. 2d 37, 71 USPQ 219, reversing 60 F. Supp. 3, 64 USPQ 456, the Court in finding infringement by reason of resort to the doctrine of equivalents stated (at page 40):

> "Not at all recondite or difficult of understanding application, it (the doctrine of equivalents) is the mere expression and application of the view that like things are alike and they are not made un-alike by **formal and non-substantial changes**; no matter how cunningly contrived the dissimulation, or how clever the changes in form." (Emphasis ours.)

Similarly, in **King-Seeley Thermos Co. v. Refrigerated Dispensers** (CCA 10—1965), 354 F. 2d 533, 148 USPQ 11, the Court in reversing the District Court, and in applying the doctrine of equivalents likewise observed (at page 540):

> "**Colorable differences** without substance do not avoid infringement."

Reference may also be made to the statement of Justice Black in the dissent in the **second Graver case**, supra:

> "Whatever the merits of the 'doctrine of equivalents' where differences between claims of a patent and the allegedly infringing product are *de minimis*, **colorable only, and without substance**, that doctrine should

have no application to the facts of this case" (Emphasis ours).

At page 13 of its brief, the Government quotes from Judge Learned Hand's opinion in **Claude Neon Lights v. E. Machlett & Son** (CCA 2—1929), 36 F. 2d 574, for the purpose of indicating that this jurist encountered difficulty in reconciling the doctrine of equivalents with statutory mandates. The Government did not cite the decision of this same Judge, handed down 19 years later, in the case of **Royal Typewriter Co. v. Remington Rand** (CCA 2—1948), 168 F. 2d 691, 77 USPQ 517, Cert. Denied 335 U. S. 825, Rehearing Denied, 335 U. S. 864 (1948), wherein he applied the doctrine of equivalents without any apparent difficulty. In finding the accused structure to infringe, he noted that "the only departure in operation" was the fact that the defendant utilized a single trip bar instead of the two trip bars called for in the claim. With reference to this departure, the Court stated (at page 692):

> "In our judgment not only is it **inconsequential**, but the invention merits its allowance." (Emphasis ours).

It is also to be observed that the Court of Appeals in the instant case, in applying the doctrine of equivalents, made the following germane observation:

> "The fact that the playpen floor was adjusted up or down by strings running through the floor through one hole rather than two holes did **not** appear to him (District Judge) to represent **a substantial difference**. Neither does it to us" (A. 53a) (Emphasis ours).

The foregoing demonstrate that the Courts in applying the doctrine of equivalents in the external manner have consistently restricted expansion of the claims to only those structures which differentiated from the claims by "mere colorable departures", "de minimis differences",

"inconsequential departures", "colorable differences", "mere formal alterations", "unimportant and insubstantial changes and substitutions", "no substantial differences", "formal and non-substantial changes", etc.

It is submitted that any distinction between the "colorable or trivial deviations" suggested by the Government and the "colorable departures, colorable differences, inconsequential departures", etc., as recognized by the Courts is without a difference. It is Respondents' contention that the Government is urging simply a change in form or, as it were, in name of the doctrine as opposed to any true change in substance.

As indicated above, the Courts have subjected the application of the doctrine to certain safeguards, one of which being, as discussed above, the necessity that the substituted element or ingredient be well known at the time the patent is issued. Another important safeguard is the doctrine of file wrapper estoppel which serves to prevent application of the doctrine with respect to limitations which were, in truth, inserted during prosecution for the purpose of obtaining allowance of the claims. Thus, the doctrine of equivalents is not applied at the specific critical point of inventiveness. By these observed safeguards, the Courts have in practice applied the doctrine of equivalents within well defined guidelines inimical to the potential unbridled expansion feared by the Government. Pertinent is the statement of the Court in **Borg-Warner Corp. v. Paragon Gear Works, Inc.** (CCA 1—1965), 355 F. 2d 400, 148 USPQ 1, Cert. Denied, 384 U. S. 935 (1966):

> "Carried to an extreme, the doctrine of equivalents could undermine the entire patent system. However, several limiting principles strike a compromise between the doctrine and the alternative of holding a patentee to the language of his claims. One means

of maintaining the 'primary jurisdiction' of the Patent Office, so-called file wrapper estoppel is that claims narrowed in response to objections of the Office cannot be recaptured in broad form in subsequent proceedings."

Submitting the issue in the present proceeding to the Government's proposed test of infringement, it is maintained that the substitution of the one hole for the two holes is nothing more than a colorable or trivial deviation. To so construe the claims of the patent in suit could not be deemed a thwarting of a competitor's desire to "invent around" the claimed structure, nor a barrier against technological advancement. Admittedly, the single hole is "sufficiently obvious". As discussed at length in the brief in reply to Petitioner, supra, file wrapper estoppel is not applicable with respect to the provision of the openings.

It is, therefore, believed that the Government may have selected an inapt case for reconsideration of the doctrine of equivalents. The structure herein involved is mechanical and, as inferentially suggested by Justice Black, in the dissent in the **second Graver case**, supra, the doctrine has not been shown to present difficulties in cases of this type. In the **Graver Tank case**, supra, the patent involved was of a chemical nature with the claims calling for the combination of certain compounds, with the problem being intensified by the reference in the specification (but with omission in the claims) of the very compound asserted to be an equivalent. Chemical cases may well present certain difficulties not encountered in cases involving patents on mechanical devices. The dissents in that case were concerned with the particular facts of that case but not with the broad, basic principles stated by the Court.

Point II

Alternative Protective Devices Do Not Compensate for Overruling of Doctrine of Equivalents.

Commencing at page 18 of its brief, the Government makes reference to certain portions of Title 35, U. S. Code, as presenting adequate protection to patentees to permit of elimination of the doctrine of equivalents.

Respondents' views as to the inadequacy of the provisions of "means" language in claims have been commented upon above in this brief, as well as in the companion brief in response to that of Petitioner (see page 10).

It is also submitted that resort to Reissue Patents does not provide the protection suggested by the Government. Since the Courts have applied the doctrine to extend the claims to cover but "colorable departures" and the like, it is submitted that any Reissue application for the purpose of broadening a claim to cover a mere colorable difference would be rejected by the Patent Office. Also, resort to this procedure would place an additional burden upon the Patent Office, inviting a plethora of Reissue applications when the Patent Office can scarcely handle the load it normally undertakes. However, applications for Reissue are subject to certain controlling conditions which may not be met by a patentee for the purpose of embracing colorable departures. But even with Reissue Patents, there is still the problem of the ultimate claim language. Mention is only made of the further problem of intervening rights. Thus, it is not believed that Reissue Patents provide a technique which could justify the denial to the Courts of the aid in claim construction provided by the doctrine.

The instant case also highlights another serious drawback to the Reissue procedure. Neither Respondent had

title to the Patent in suit, as the same had been assigned to the Petitioner. Therefore, neither Respondent had any standing before the Patent Office which would have permitted either of them to make application for Reissue Patent if such had been deemed expedient—which it was not in the present case.

Accordingly, the protective devices discussed by the Government are quite inadequate to compensate for any withdrawal of the doctrine of equivalents as the same has been applied by the Courts.

CONCLUSION

In view of the foregoing it is submitted that the Government has actually offered nothing new and that its very arguments, when analyzed, inherently show the necessity for the continued existence of the doctrine of equivalents as the same has been applied. Since even the Government's proposed test calls for the inclusion of "colorable or trivial deviations" within the language of a claim which does not specify with exactness the accused structure, the judgment of the Court of Appeals should be affirmed.

Respectfully submitted,

RALPH W. KALISH
721 Olive Street
St. Louis, Missouri 63101

HEWITT P. TOMLIN, JR.
106 South Liberty
Jackson, Tennessee

Attorneys for Respondents

SUPREME COURT, U. S.

FILED

JAN 28 1970

JOHN F. DAVIS, CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC., *Petitioner*

v.

TIGRETT INDUSTRIES, INC., ET AL.

On Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit

BRIEF FOR THE AMERICAN PATENT LAW ASSOCIATION AS AMICUS CURIAE

AMERICAN PATENT LAW ASSOCIATION
2001 Jefferson Davis Highway
Arlington, Virginia 22202
FRANK L. NEUHAUSER,
President

JOHN F. WITHERSPOON
300 Munsey Building
Washington, D. C. 20004

ROBERT E. LEBLANC
WILLIAM L. MATHIS
HENRY SHUR
Attorneys

Arlington, Virginia
January 28, 1970

PRESS OF BYRON S. ADAMS PRINTING, INC., WASHINGTON, D. C.

PREFACE

The United States

To all to whom these Presents shall come. Greeting.

Whereas Samuel Hopkins of the City of Philadelphia and State of Pennsylvania hath discovered an Improvement, not known or used before such Discovery, in the making of Pot ash and Pearl ash by a new Apparatus and Process, that is to say, in the making of Pearl ash 1st by burning the raw Ashes in a Furnace, 2d by dissolving and boiling them when so burnt in Water, 3d by drawing off and settling the ley, and 4th by boiling the ley into Salts which then are the true Pearl ash, and also in the making of Pot ash by fluxing the Pearl ash so made as aforesaid, which Operation of burning the raw Ashes in a Furnace preparatory to their Dissolution and boiling in Water, is new, leaves little Residuum, and produces a much greater Quantity of Salt: These are therefore in pursuance of the Act intitled "An Act to promote the Progress of useful Arts" to grant to the said Samuel Hopkins, his Heirs, Administrators and Assigns, for the Term of fourteen Years, the sole and exclusive Right and Liberty of using and vending to others the said Discovery of burning the raw Ashes previous to their being dissolved and boiled in Water, according to the true Intent and Meaning of the Act aforesaid. In Testimony whereof I have caused these Letters to be made patent, and the Seal of the United States to be hereunto affixed. Given under my Hand at the City of New York this thirty first Day of July in the Year of our Lord one thousand seven hundred & Ninety.

G. Washington

City of New York July 31st 1790.

I do hereby certify that the foregoing Letters patent were delivered to me in pursuance of the Act, intitled "An Act to promote the Progress of useful Arts", that I have examined the same, and find them conformable to the said Act.

Edm: Randolph Attorney General for the United States.

Delivered to the within named Samuel Hopkins this fourth day August 1790.

Th: Jefferson

First United States Patent Grant
July 31, 1790

COMMENT

The above is a copy of the First United States Patent Issued July 1790 under the Patent Act of 1790, *Without Any Claims*, over the Signatures of President George Washington, Secretary of State Thomas Jefferson, and Attorney General Edmund Randolph.

U. S. patent claim practice did not begin until after passage of the Patent Act of *1836*, as explained in Part VI-C of this Brief.

INDEX

	Page
I. Authority To File	1
II. Purpose of This Brief	2
III. Introduction	2
IV. The AIPLA as Friend of the Court in the Public Interest	3
V. Summary of Issues and Points	5
VI. Statement and Argument	7
A. The Constitutional Provision for a U.S. Patent System Refutes the Antitrust Division Brief	7
B. The Congress Has Complete Power To Legislate the Federal Patent Scheme and Scope of Patent Rights Under the Constitution	9
C. The Five Major U.S. Patent Acts Passed by Congress Between 1790 and 1952 Refute the Antitrust Division Brief	9
1. First U.S. Patent Act of 1790: No Patent Claims Were Involved	11
2. Second U.S. Patent Act of 1793; No Patent Claims Were Involved	12
3. Third U.S. Patent Act of 1836: Patent Claim Practice Began	12
4. Fourth U.S. Patent Act of 1870: Current U.S. Patent Claim Practice Is Based on the 100-Year-Old Statutory Patent Claim Provision of R.S. 4888 (Section 26 of the 1870 Act) Which Was Applied in the 1950 *Graver Tank* and 1929 *Sanitary Refrigerator* Cases and Was Readopted in Section 112 of the 1952 Patent Act	14
5. Fifth U.S. Patent Act of 1952: Congress (a) Readopted Patent Claims Statute R.S. 4888 and (b) Legislatively Ratified and	

Page

Codified the Law of "Direct Infringement" (Including *Graver Tank*), in 35 U.S.C. § 112 (2d par.) and § 271(a) 16

(a) The Present 1952 Patent Act Readopted the 1870 Statutory Provisions on Patent Claims 16

(b) The 1952 Patent Act Contains New Section 271(a) Codifying the Law of "Direct Infringement" (Including the 1950 "*Graver Tank*" Rules) 18

D. The Long-Standing Law for Determining Patent Infringement Including the Doctrine of Equivalents as Legislatively Ratified by the 1952 Patent Act Is Sound, Equitable and Workable Law, and It Should Not Now Be Rejected by This Court 22

E. The Literal Claim System Proposed in the Antitrust Division Brief Would Thwart the Public Policy of the Patent System as Expressed by This Court 27

F. Antitrust Division Brief Contention That Passage of 1890 Antitrust Laws Now Requires Rejection of the *Graver Tank* Case and Doctrine of Equivalents Is Refuted by History of Antitrust and Patent Legislation Including the 1952 Patent Act and by Decisions of This Court 31

G. Congress Has Spoken in the 1952 Act and Any Revisionary Legislation Should Come From That Source Under This Court's Established Policy 35

VII. Conclusion 37

CASES

Aro Mfg. Co. v. Convertible Top Replacement Co., 365 U.S. 336 (1961) 10, 20

Aro Mfg. Co. v. Convertible Top Replacement Co., 377 U.S. 476 (1964) 10, 18, 19, 20, 33, 34

Page

Burr v. Duryea, 68 U.S. 531 (1863) 13
Exhibit Supply Co. v. Ace Patents Corp., 315 U.S. 126 (1942) 25, 26
Gibbons v. Ogden, 9 Wheat 1 9
Graham v. John Deere Co., 383 U.S. 1 (1966) 7, 9, 11, 12, 31, 35, 37
Graver Tank & Mfg. Co. v. Linde Air Prods. Co., 339 U.S. 605 (1950) 2, 5, 6, 14, 15, 16, 19, 21, 22, 23, 24, 25, 26, 31, 33, 34, 35, 37
Halliburton Co. v. Walker, 329 U.S. 1 (1946) 18
Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964) 35
Henry v. Dick Co., 224 U.S. 1 (1912) 33
Joseph E. Seagram & Sons v. Hostetter, 384 U.S. 35 (1966) 35
McClurg v. Kingsland, 1 How. 202, 42 U.S. 202 (1843) 9
Mercoid Corp. v. Mid-Continent Investment Co., 320 U.S. 661 (1944) 33, 34
Mercoid Corp. v. Minneapolis-Honeywell Regulator Co., 320 U.S. 680 (1944) 33, 34
Motion-Picture Patents Co. v. Universal Film Mfg. Co., 243 U.S. 502 (1917) 9, 33
Sanitary Refrig. Co. v. Winters, 280 U.S. 30 (1929) .. 2, 5, 15, 16, 35
Seymour v. Osborne, 78 U.S. 516 (1870) 13
Sinclair Refining Co. v. Atkinson, 370 U.S. 195 (1962) 35
Southern Saw Service, Inc. v. Pittsburgh-Erie Saw Corp., 239 F.2d 339 (5th Cir. 1956) 10
Union Carbide & Carbon Corp. v. Graver Tank & Mfg. Co., 196 F.2d 103 (7th Cir. 1952); cert. denied, 343 U.S. 967 (1952) 25, 26
United States v. Adams, 383 U.S. 39 (1966) 22
Winans v. Denmead, 56 U.S. 330 (1853) 13, 14, 31

CONSTITUTION AND STATUTES

Constitution of the United States, Article I 7, 8, 9, 10, 32, 35
Patent Act of 1952 ..... 3, 5, 6, 8, 10, 11, 14, 16, 17, 18, 19, 21, 26, 34, 37
Patent Act of 1870 ..... 6, 8, 10, 11, 14, 15, 17
Patent Act of 1836 ..... 8, 10, 11, 12, 13, 14
Patent Act of 1793 ..... 8, 10, 11, 12

Patent Act of 1790 .....8, 10, 11, 12
35 U.S.C. § 101 22
35 U.S.C. § 102(b) 27
35 U.S.C. § 112 .....3, 5, 14, 16, 17, 18, 19, 26, 31, 34, 35
35 U.S.C. § 271 .....5, 16, 18, 19, 20, 21, 26, 34
35 U.S.C. § 33 (1946 ed.) 15
5 Stat. 117 (1836) 13
Rev. Stat. 4888 .....3, 14, 15, 16, 17, 18, 19, 21, 31, 35

PUBLICATIONS

Bush, Vannevar. "Study No. 1," Patent, Trademark & Copyright Subcommittee of the U. S. Senate Committee on the Judiciary, 84th Cong., 2d Sess. (1956) 32

H. R. Rep. No. 1923, 83d Cong., 2d Sess. (1956) 10, 12, 13, 16, 17, 18, 20, 21

"Hearings Before Subcommittee No. 3, House Committee on the Judiciary, House of Representatives, 82d Cong., 1st Sess., on H. R. 3760, . . ." (June 1951) 18, 20, 21

S. Rep. No. 1979, 82d Cong., 2d Sess. (1952) 10, 12, 13, 16, 17, 18, 20, 21

Rich, Giles S., *Patent Procurement and Exploitation*, "Congressional Intent—Or Who Wrote the Patent Act of 1952?" BNA (1963) 10, 16, 21

Federico, P. J., *Commentary on the New Patent Act*, 35 U.S.C.A. Vol. 1 (1953) 10, 12, 13, 14, 16, 17, 18, 21

U. S. Patent Office "Official Gazette," (January 20, 1970) 6

IN THE

Supreme Court of the United States

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC., *Petitioner*

v.

TIGRETT INDUSTRIES, INC., ET AL.

On Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit

---

BRIEF FOR THE AMERICAN PATENT LAW ASSOCIATION AS AMICUS CURIAE

I. AUTHORITY TO FILE

This amicus brief is presented to the Court under Rule 42. The letters of consent from petitioner and respondent are on file with the Clerk of the Court.

II. PURPOSE OF THIS BRIEF

This brief is filed by the American Patent Law Association ("APLA") as *amicus curiae* to show that this Court should reject the proposals regarding the patent law "doctrine of equivalents" set forth in the Brief for United States as Amicus Curiae". Available information indicates that such brief was prepared by the Antitrust Division ("AD") of the United States Department of Justice (and it is hereinafter called the AD brief for convenient reference).[1, 2]

Specifically, this *amicus curiae* brief has been filed by APLA to assist the Court by showing that the proposals made in the AD brief are not only without merit, but would prevent proper functioning of the U.S. patent system and frustrate achievement of its goals.

III. INTRODUCTION

The AD brief urges this Court to reject and now forbid the judicial application of the long-standing doctrine of equivalents for determining patent infringement, especially as explicated by this Court in the 1950 *Graver Tank* case.[3]

The *Graver Tank*, *Sanitary Refrigerator*,[4] and similar decisions of this and lower federal courts have

---

[1] The APLA accepts as accurate the statements on page 1 of the AD brief regarding the opinions below and jurisdiction of this Court.

[2] The APLA takes no position in support of either petitioner or respondent.

[3] *Graver Tank & Mfg. Co.* v. *Linde Air Prods. Co.*, 339 U.S. 605 (1950).

[4] *Sanitary Refrigerator Co.* v. *Winters*, 280 U.S. 30 (1929). That *Graver Tank* of 1950 is based on *Sanitary Refrigerator* of 1929, and even earlier cases of this Court, is recognized in the AD brief, page 11.

applied the doctrine of equivalents to determine patent infringement under the same statutory provisions for patent claims throughout the past 100 years.[5] However, the AD brief contends that this Court should now reject the doctrine of equivalents and substitute a new "fundamentally revised" standard[6] for determining patent infringement by limiting patent claims to their literal terms.

This brief will show that the propositions urged in the AD brief should be rejected by this Court because: (1) The positions stated in the AD brief are historically incorrect, legally without merit, and so unsound that their acceptance by this Court would seriously distort and undermine the statutory patent schemes established by Congress under the Patent Act of 1952; (2) Besides being unsound, the AD brief is nothing less than a request that this Court judicially legislate the end of long-standing sound and equitable patent infringement law and substitute a new test of patent infringement contrary to Congressional action in enactment of the Patent Act of 1952, whereas the Constitution delegates to Congress the power to alter the U.S. patent system and patent rights granted thereunder.

IV. THE APLA AS A FRIEND OF THE COURT IN THE PUBLIC INTEREST

The American Patent Law Association is an association of approximately 3800 members of the bars of many states interested in the laws relating to patents and allied subjects, including antitrust. This number

---

[5] The patent claim provision carried into R.S. 4888 from Section 26 of the Patent Act of 1870 was readopted and codified in the Patent Act of 1952, Section 112, paragraph 2 (35 U.S.C. § 112, 2d par. (1952)), as amplified in Part VI-C hereafter.

[6] See AD brief, statement of "Questions Presented", at page 2.

represents over one-half of the patent lawyers in the entire country. The members are not restricted to any segment of the profession. Thus, members include both attorneys in the private practice of law and those employed by corporations and government. The members represent individuals, small and large research and development organizations, and large industrial and business enterprises.

The members are not only concerned with the obtaining of patents, but also with defending against patents, e.g., by avoiding infringement or proving patents invalid.

Significantly, the APLA membership as a whole represents widely divergent interests and views of (1) patentees and (2) their competitors, both of whom must determine the boundary between (a) activities covered by patent claims resulting in infringement liability and (b) activities outside the scope of patent claims which avoid infringement liability.

Since the members of the association never know which side of the issues involved in this case they will ultimately be on when representing the specific interests of their clients, the association believes it can speak fairly as to how the issue discussed in this brief affects the public interest, and help this Court recognize what the law has been on this issue and ought to be in the future.

In brief, the day-to-day and year-after-year experience of the 3800 APLA members and their principals provides enormous cumulative knowledge and experience for evaluating the merits or shortcomings of particular aspects of the United States patent system. Thus, it is believed that the APLA views may help

this Court in evaluating the legal, practical and social effects which the AD brief proposal is likely to have on the technical, economic-competitive and social goals of the federal patent system under the statutory scheme established by Congress in the Patent Act of 1952, effects which APLA considers adverse.

V. SUMMARY OF ISSUES AND POINTS

In this brief *amicus curiae*, the APLA will discuss the following points with reference to the AD brief:

1. The test proposed in the AD brief, as a substitute for existing law, is in language so vague that no useful purpose could flow from its adoption. As revealed, however, by the AD suggestions for application of this "new" test in this case, it is apparent that the intent of the proposed test is to substitute literalism for equity.

2. The doctrine of equivalents as explicited in the 1950 *Graver Tank* and 1929 *Sanitary Refrigerator* cases plus other decisions of this and lower federal courts is in fact consistent with the statutory patent scheme reaffirmed by Congress in the Patent Act of 1952. That doctrine does NOT conflict with or subvert the policy of the federal patent system as established by Congress under the Constitution; rather it is an integral part of the system under the Patent Act of 1952.

3. Legislative history of the Patent Act of 1952 shows that in enacting Section 112 and 271 (a) thereof Congress legislatively ratified and codified the then-prevailing law of "direct" patent infringement, including the doctrine of equivalents as explicated in the *Graver Tank* case which was decided in 1950 at the

very time Congress was actively working on the Patent Act of 1952.

4. This Court can and should decide the instant case under long-standing law of patent infringement including the sound and equitable doctrine of equivalents, which prevailed under the Patent Act of 1870, was legislatively ratified in the Patent Act of 1952, and has been well defined by the courts and is now understood by patentees, industry at large, and the Patent Office.

5. This Court should reject the AD brief's proposal that the Court now reject the doctrine of equivalents and judicially legislate a test of patent infringement based on literal interpretation of claim language subject to "colorable or trival deviation[s]",[7] because that proposed test of infringement will be unworkable and inequitable. That test of infringement would reduce the U.S. patent system to a game of semantics thereby subverting Congressional patent policy and the statutory patent scheme so as to frustrate the Constitutional purpose of the patent system.

6. Judicial rejection of the doctrine of equivalents and adoption of the AD brief proposals will substantially affect the scope of the claims of the more than 850,000 presently unexpired U.S. patents,[8] all of which were issued under the Patent Act of 1952 and the premise that the *Graver Tank* rule was governing law.

7. This Court also should reject the AD brief seeking judicial reversal of long-standing law because since

---

[7] See AD brief at bottom of page 16.

[8] This stated number of affected unexpired patents is based on the U.S. Patent Office "Official Gazette" of January 20, 1970.

1967 Congress has been and is now considering in depth a complete recodification of the U.S. patent law as instigated by studies and recommendations of the "President's Commission on the Patent System" appointed in 1965.[9] This Court should instruct the Antitrust Division that Congress is the proper body for making such broad changes as rejection of the doctrine of equivalents and adoption of a new "fundamentally revised" test of patent infringement.

VI. STATEMENT AND ARGUMENT

A. THE CONSTITUTIONAL PROVISION FOR A U. S. PATENT SYSTEM REFUTES THE ANTITRUST DIVISION BRIEF

Following are *all* provisions of the Constitution pertaining to patents and to the issues before the Court:

> Article I.
>
> Section 1. *All* legislative Powers herein granted shall be vested in a Congress of the United States . . .
>
> Section 8. The Congress shall have Power . . .
>
> To promote the Progress of . . . useful Arts, by securing for limited Times to . . . Inventors the exclusive Right to their . . . Discoveries;[10]
>
> . . . And
>
> To make *all* Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States,

---

[9] See *Graham* v. *John Deere Co.*, 383 U.S. 1, 19 (1966) and particularly this Court's footnote 10.

[10] See *Graham* v. *John Deere Co.*, *supra*, 383 U.S. at 5-6 (1966), particularly this Court's footnote 1.

> or in any Department or Officer thereof. [Emphasis added.] [11]

The above-quoted sections of the Constitution pertaining to patents show clearly that the Constitution itself lends no support whatever to the purported Constitutional and related arguments in the AD brief, such as the following:

> "The Patent Clause of the Constitution . . . carefully restrict[s] the scope of the patent monopolies and the method by which they may be achieved . . ." (brief, page 5)

> ". . . the doctrine of equivalents, as presently interpreted, subverts the federal patent policy defined by the Constitution . . ." (brief, page 6)

> "The doctrine of equivalents permits a patent owner to enforce monopoly power . . . . Even though not expressly within the scope of the claims of his patent . . . . [and] this result is contrary to the balance achieved in the Constitution . . ." (brief, page 2)

The Constitutional provisions, decisions of this Court *ab initio*, and the Congressional history of five comprehensive statutory patent schemes established by Congress in the major Patent Acts of 1790, 1793, 1836, 1870 and 1952, refute the AD brief's reliance on the Constitution for its proposals that this Court judicially legislate out of existence the doctrine of equivalents and substitute a new "fundamentally revised" standard for patent infringement.

---

[11] U.S. CONST., Art. I, § 8.

B. THE CONGRESS HAS COMPLETE POWER TO LEGISLATE THE FEDERAL PATENT SCHEME AND SCOPE OF PATENT RIGHTS UNDER THE CONSTITUTION

"[The] powers of Congress to legislate upon the subject of patents is *plenary* by the terms of the Constitution . . ." *McClurg* v. *Kingsland,* 1 How. 202, 206, 42 U.S. 202, 206 (1843). (Emphasis added.)

"Congress of the United States [is] the source of all rights under patents," including the delineating of the enforceable scope of U.S. patents and their claims in relation to the antitrust laws under the Sherman Act of 1890 and the Clayton Act of 1914. *Motion Picture Patents Co.* v. *Universal Film Mfg. Co.,* 243 U.S. 502, 517 (1917).

As recently as 1966, in *Graham* v. *Deere, supra,* this Court reiterated that:

> "Congress may, of course, implement the stated purposes of the Framers [of the Constitution] by selecting the policy which in its judgment best effectuates the constitutional aim. This is but a corollary to the grant to Congress of any Article I power. *Gibbons* v. *Ogden,* 9 Wheat 1 . . . *McClurg* v. *Kingsland,* 1 How. 202, 206. It is the duty of the Commissioner of Patents and of the courts in the administration of the patent system to give effect to . . . the statutory scheme of the Congress." [12]

C. THE FIVE MAJOR U. S. PATENT ACTS PASSED BY CONGRESS BETWEEN 1790 AND 1952 REFUTE THE ANTITRUST DIVISION BRIEF

Beginning one year after ratification of the Constitution, Congress has passed five major patent acts comprehensively dealing with the statutory patent scheme;

---

[12] See 383 U.S. at 6.

namely, the Patent Acts of 1790, 1793, 1836, 1870 and 1952.[13, 14]

In addition, Congress has amended the five major U.S. Patent Acts at least fifty times.[15]

An objective review of the five comprehensive Patent Acts of 1790, 1793, 1836, 1870 and 1952 shows that Congress has at different times established various substantially different types of statutory schemes for determining the valid enforceable scope of the "exclusive right" granted to inventors, under Article I, Section 8 of the Constitution.

---

[13] See House and Senate Reports on Patent Act of 1952, H.R. Rep. No. 1923, 82d Cong., 2d Sess., pp. 3-4 (1952), and S. Rep. No. 1979, 82d Cong., 2d Sess., pp. 2-3 (1952).

[14] Also see "Commentary on the New [1952] Patent Act" by P.J. Federico, Examiner-in-Chief, U.S. Patent Office, 35 U.S.C.A. Vol. 1 (1954) (hereafter called the "Federico Commentary on the 1952 Act"), pages 2-6. As noted in the House and Senate Reports on the Patent Act of 1952, cited fn. 13 *supra*, Mr. P.J. Federico, as Examiner-in-Chief of the U.S. Patent Office, and then patent lawyer Giles S. Rich, who is now an Associate Judge of the U.S. Court of Customs and Patent Appeals, were two of the principal experts assisting Congress in the drafting, refinement and adoption of the Patent Act of 1952. The roles of Examiner-in-Chief Federico and Judge Rich in Congressional consideration, drafting and passage of the Patent Act of 1952 have been recognized by this and other courts, as well as Congress. For example, as to Judge Rich, see the *"Aro I"* case [365 U.S. 336 (1961)], and the *"Aro II"* case [377 U.S. 476 (1964)], both of which are more fully cited and discussed, *infra*. As to Examiner-in-Chief Federico and his "Commentary", see *Southern Saw Service, Inc.* v. *Pittsburgh-Erie Saw Corp.*, 239 F. 2d 339, 342 (5th Cir. 1956). For further background, see "Congressional Intent—Or Who Wrote the Patent Act of 1952?" by Giles S. Rich, PATENT PROCUREMENT AND EXPLOITATION, BNA (1963) (hereafter called "Rich, Patent Act of 1952").

[15] *Graham* v. *Deere*, *supra*, refers to at least fifty such amendments, 383 U.S. at 10; "Federico Commentary on the 1952 Act", *supra*, refers to at least sixty such amendments, 35 U.S.C.A., Vol. 1, page 5.

Historical review and statutory analysis particularly show that: (1) The Patent Acts of 1790 and 1793, passed one and three years after ratification of the Constitution, provided for issuance of patents *without any claims;* (2) U.S. patent claim practice such as now in issue before this Court did not begin until after adoption of the Patent Act of 1836; and (3) patent claims as such are clearly not a Constitutional requirement.

More specifically, historical and legal analysis of the five comprehensive Patent Acts of 1790, 1793, 1836, 1870 and 1952 shows the following statutory schemes for determining patent scope *without and with* claims.

1. First U.S. Patent Act of 1790: No Patent Claims Were Involved

The first comprehensive Patent Act of 1790 was enacted by the very first U.S. Congress upon recommendation of President George Washington, who was also President of the Constitutional Convention. The 1790 Act was administered by the first "Patent Commission" of three members, including Thomas Jefferson, who was the Commission's moving spirit and effectively the "First Administrator" of the U.S. patent system under the 1970 Act.[16]

The Patent Act of 1790 included *no* provisions for any claims in the patents granted thereunder. As a matter of interest, this Court is respectfully referred to the preface of this brief which is a copy of the first United States patent issued July 31, 1790 under the Patent Act of 1790 over the signature of President George Washington, Secretary of State Thomas Jeffer-

[16] *Graham* v. *Deere, supra,* 383 U.S. at 6-7.

son, and Attorney General Edmund Randolph. The Court will note that the patent contains no claims such as involved in the instant case.

2. Second U.S. Patent Act of 1793: No Patent Claims Were Involved

Thomas Jefferson was not only "First Administrator" of the patent system under the first 1790 Act, but he was also the author of the second U.S. Patent Act of 1793.[17]

The Patent Act of 1793 made the granting of U.S. patents a clerical function. Under the 1793 Act, patents were routinely granted to anyone who applied and fulfilled the formal requirements of filing papers and paying fees.[18] The 1793 Act did *not* involve any patent claims such as now in issue before this Court.

Thus, from 1793 until 1836, under the Patent Act of 1793 drafted by Jefferson, Congress exercised its broad patent powers under the Constitution and established a *registration* patent system which (1) did not require examination on the merits for issuance of U.S. patents and (2) did not require *any* patent claims.

3. Third U.S. Patent Act of 1836: Patent Claim Practice Began

The 1793 Patent Act was replaced in 1836 by a third comprehensive statutory scheme when Congress enacted the Patent Act of 1836. The 1836 Patent Act first established a Patent Office having the function of

---

[17] *Graham* v. *Deere*, *supra*, 383 U.S. at 7.

[18] See the House and Senate Reports on the Patent Act of 1952 cited in fn. 13, *supra*; especially H.R. Rep. No. 1923, page 4 and S. Rep. No. 1979, page 3. See also "Federico Commentary on the 1952 Act", *supra*, 35 U.S.C.A., Vol. 1, page 4.

examining applications for and issuing or refusing patents.[19]

Section 6 of the 1836 Act described the requisite contents of a patent application, specifically requiring that the applicant "*shall particularly specify and point out* the part, improvement, or combination, *which he claims* as his own invention or discovery."[20] Many examples of claims from patents granted under this Act appear in reported decisions of this Court.[21]

As pointed out by this Court in *Graver Tank*, the doctrine of equivalents was first enunciated in a case involving infringement of a patent granted under the Act of 1836; *Winans* v. *Denmead*.[22] In *Winans*, the Court was concerned with the precise question of the scope of the claimed invention.[23] The dissenting opinion in *Winans* quoted[24] from the above-cited statutory language of the Act of 1836 relating to patent claims and argued for a rule of interpretation which is strikingly similar to that now proposed by the AD brief. However, the majority of the Court in *Winans* took a different view of the statutory requirement for patent claims and held, in essence, that substance should take precedence over form when construing the language of the Act.

---

[19] Ibid, especially H.R. Rep. 1923, pages 4-5 and S. Rep. No. 1979, pages 3-4; also "Federico Commentary on the 1952 Act", page 4.

[20] 5 Stat. 117 (1836) (Emphasis added.)

[21] See, e.g. *Seymour* v. *Osborne*, 78 U.S. 516 (1870); *Burr* v. *Duryea*, 68 U.S. 531 (1863).

[22] 56 U.S. 330 (1853).

[23] Id. at 342.

[24] Id. at 347.

The law and practice of U.S. patent claims for determining the valid scope of patents and infringement thereof evolved under the 1836 Act until Congress passed the fourth comprehensive U.S. Patent Act of 1870. The 1870 Patent Act included a section (which became known as "R.S. 4888") which contained statutory provisions on patent claims that effectively adopted and carried forward claims practice as it existed when the 1870 Act was enacted upon recommendations of a special Patent Commission.[25] In turn, R.S. 4888 of 1870 was readopted in the 1952 Act as the current statutory provision on claims[26] as amplified below.

Thus, the AD brief errs in stating the 1853 *Winans* decision is based on a "significantly different statutory scheme"[27] for patent claim practice as compared to that involved in *Graver Tank* and this case.

4. Fourth U.S. Patent Act of 1870: Current U.S. Patent Claim Practice Is Based on the 100-Year-Old Statutory Patent Claim Provision of R.S. 4888 (Section 26 of the 1870 Act) Which Was Applied in the 1950 Graver Tank and 1929 Sanitary Refrigerator Cases and Was Readopted in Section 112 of the 1952 Patent Act

The Patent Act of 1870 was the fourth comprehensive patent statute and contained the following language relating to the patent specification and claims:

> "Section 26 . . . before any inventor or discoverer shall receive a patent for his invention or discovery, he shall make application therefor, in

---

[25] See "Federico Commentary on 1952 Act", fn. 14, p. 5; also compare above-quoted portion of Section 6 of the 1836 Act with R.S. 4888, quoted at page 15, *infra*.

[26] 35 U.S.C. § 112, par. 2 (1952).

[27] AD Brief, p. 12.

> writing, to the commissioner, and shall file in the Patent Office a written description of the same . . . in such full, clear, concise, and exact terms as to enable any person skilled in the art or science to which it appertains . . . to make, construct, compound, and use the same; . . . *and he shall particularly point out and distinctly claim the part, improvement, or combination which he claims as his invention or discovery;* . . ." (Emphasis added.)[28]

This Court's decisions in the 1950 *Graver Tank* and 1929 *Sanitary Refrigerator* cases specifically involved construction and application of R.S. 4888 to determine the question of patent infringement.

The majority opinion in *Graver Tank* applied the doctrine of equivalents as therein explicated, citing *Sanitary Refrigerator* of 1929 and other earlier cases of this Court which applied the doctrine of equivalents under R.S. 4888 to construe patent claims and determine patent infringement.[29] The 1950 *Graver Tank* case rejected a minority opinion of two Justices which contended in detail that the patent claims provision of R.S. 4888 requires literal construction of the patent claim language and precludes application of the doctrine of equivalents to determine patent infringement.

In fact, it is clear that the AD brief presents substantially the same theories and contentions of the minority opinion of two Justices in *Graver Tank;* and it is clear the majority opinion of this Court fully considered and rejected the same in 1950. We respect-

---

[28] This is verbatim the pertinent text of R.S. 4888, 35 U.S.C. 33 (1946 ed.) in force in 1952.

[29] In *Graver Tank, supra,* see especially 339 U.S. at 608-09.

fully urge that this Court should reject these proposals in the AD brief and decline judicially to eliminate the doctrine of equivalents as it was reiterated in the 1950 *Graver Tank* majority decision expressly rejecting the minority contentions for a restrictive rule such as now urged by the AD brief.

This Court's reversal now of long-standing patent infringement law as sought in the AD brief would be particularly unwarranted because the legislative history of the 1952 Patent Act shows Congressional intent to legislatively ratify and codify the then prevailing law of "direct" patent infringement, including the long-standing doctrine of equivalents as explicated in *Graver Tank*.

5. Fifth U.S. Patent Act of 1952: Congress (a) Readopted Patent Claims Statute R.S. 4888 and (b) Legislatively Ratified and Codified the Law of "Direct Infringement" (Including Graver Tank), in 35 U.S.C. § 112 (2d Par.) and § 271(a)

(a) The Present 1952 Patent Act Readopted the 1870 Statutory Provisions on Patent Claims

In about 1948, the Congress began a comprehensive review of the U.S. patent laws which resulted in enactment of the Patent Act of 1952.[30]

By the 1952 Patent Act, Congress established the current statutory patent scheme which governs the instant case.

The statutory provisions relating to patent claims from former R.S. 4888 (1870 Patent Act) are set forth in the second paragraph of section 112 of the 1952

---

[30] See House and Senate Reports on 1952 Act, cited in fn. 13, *supra*. See also "Federico Commentary on 1952 Act", and "Rich, Patent Act of 1952", cited in fn. 14, *supra*.

Patent Act. This is clear from (a) comparison of the statutes and (b) express statements to that effect in the House and Senate Reports on the 1952 Patent Act.[31,32]

The aforesaid statutory patent claims provision in the 1952 Patent Act, section 112, par. 2, reads as follows:

> "The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention." [33]

Thus, the legislative history of the 1952 Act shows that: (a) section 112 of the 1952 Act was drafted with separate paragraphs on specifications and claims in order to distinguish more clearly between them; and (b) the second paragraph of section 112 of the 1952 Act is directly based on the claims clause in former R.S. 4888 stating the statutory requisite that a U.S. patent include claims pointing out the invention.

---

[31] Ibid. See particularly H.R. Rep. 1923, "Revision Notes", page 19, and comparison of prior and 1952 statutory text under "Ramseyer Rule," page 40, and Tables comparing prior and 1952 statutory texts, pages 70-72. See also "Federico Commentary on the 1952 Act", *supra*, 35 U.S.C.A., Vol. 1, (1954) pages 24-25.

[32] The provisions of prior R.S. 4888 relating to patent *specifications* are contained in the first paragraph of section 112 of the 1952 Patent Act. This is clear from (a) comparison of the statutes and (b) express statements to that effect in the House and Senate Reports on the 1952 Patent Act. See legislative history referred to in fn. 31, *supra;* also "Reviser's Note" in 35 U.S.C.A., Vol. 2, section 112, (1954).

[33] Note the text of par. 2 of section 112 of the 1952 Patent Act is substantially the same as the claims provision of the 1870 Patent Act, quoted at page 15, *supra*.

(b) The 1952 Patent Act Contains New Section 271(a) Codifying the Law of "Direct Infringement" (Including the 1950 "Graver Tank" Rules)

In 1952, when Congress reenacted as the second paragraph of 35 U.S.C. § 112[34] the patent claim provision of R.S. 4888, in language originated in 1870, Congress also enacted the first statutory provisions defining acts of patent infringement, namely in new section 271 entitled "Infringement of patent".[35]

The provisions of new section 271 enacted in 1952 as part of the current statutory patent scheme define: (1) "direct infringement" per section 271(a); (2) "inducement infringement" per section 271(b); and (3) "contributory infringement" per section 271(c).

New section 271(d) of the 1952 Act affirms the relief to which a patent owner is entitled under any of sections 271(a) to (c) without being guilty of "patent misuse" or other illegal extension of monopoly, thereby

---

[34] The first paragraph of Section 112 deals with the requirements of *disclosure,* NOT *claims;* the third paragraph does relate to claim form and claim construction. It uses and approves the very word "equivalents" as an element of prescribed claim construction. This third paragraph was adopted, as testimony before the House made explicit, to offset "the much criticized theory of the Halliburton case" [*Halliburton Co.* v. *Walker*, 329 U.S. 1 (1946)]. The Department of Justice then [June 14, 1951] characterized section 112, 3rd par. to the Congress as "introducing into the statute for the first time the controversial doctrine of equivalents." See Hearings fully cited in fn. 38, *infra*, pp. 45 and 95.

[35] For legislative history and information on Congressional intent regarding new Section 271 of the 1952 Act, see House and Senate Reports on that cited fn. 13, *supra,* particularly H.R. Rep. 1923, p. 9, and S. Rep. 1979, p. 8; also "Federico Commentary on the 1952 Act", 35 U.S.C.A., (1954) Col. 1, pages 52-54; and "Reviser's Notes" on Section 271, 35 U.S.C.A., 1954 Ed., Col. 2, p. 18. In addition, see *Aro II,* 377 U.S. pp. 485-486 (1964) and fn. 6 therein referring to and relying on various legislative history of the 1952 Act including Congressional Hearings on section 271 (see Hearings fully cited in fn. 38, *infra*).

limiting certain pre-1952 Court decisions insofar as they are inconsistent with the statutory provisions of new sections 271(a) to (d).[36]

Significantly, enactment of § 271(c) defining contributory infringement and § 271(d) limiting the patent misuse doctrine of certain pre-1952 cases, as held in "*Aro II*", establishes that Congress does *not* contemplate an "iron-bound" rule that the language or semantics per se of patent claims shall control determination of "Infringement of patent" under the 1952 Act. On the contrary, this shows that Congress can and does establish Federal patent policy and statutory schemes whereby patent infringement liability is not limited to the literal terms of patent claims per se.

Section 271(a), which defines "direct" infringement, states that:

> ". . . whoever without authority makes, uses, or sells any *patented invention* . . . infringes the patent." (Emphasis added.)

In the 1952 Act, section 112, par. 2 contains the statutory provisions for patent claims which define what constitutes the "patented invention" to determine what "infringes the patent" under § 271(a). As shown earlier that paragraph of section 112 of the 1952 Act repeats the same claim provisions of R.S. 4888, which was the statute construed and applied in the 1950 *Graver Tank, Sanitary Refrigerator*, and other prior

---

[36] *Aro Mfg. Co.* v. *Convertible Top Replacement Co.*, 377 U.S. 476 (1964), particularly Part I thereof (herein called "*Aro II*" case, per fn. 14, *supra*). The "*Aro II*" case is a continuation of litigation in *Aro Mfg. Co.* v. *Convertible Top Replacement Co.*, 365 U.S. 336 (1961) (herein called the "*Aro I*" case, per fn. 14, *supra*).

patent infringement decisions of this Court applying the doctrine of equivalents.

In the *"Aro I"* and *"Aro II"* cases, *supra,* this Court recognized that Giles S. Rich, now Associate Judge of the U.S. Court of Customs and Patent Appeals, was a "chief draftsman" of Section 271 and the "spokesman" for proponents of that section in June 1951 "Congressional Hearings on the 1952 Patent Act."[37, 38] In those Congressional Hearings, Judge Rich stated with respect to new Section 271(a) that: (1) section 271(a) dealt with "direct infringement which is the making, using, or selling of the *patented invention* without permission"; and that (2) this new "infringement section . . . is a codification of the finest kind".[39]

The "Reviser's Notes" on Section 271 and the House and Senate Reports[40] are consistent with the foregoing statements. The Reports state that "Section 271, paragraph (a), is a declaration of what constitutes infringement".[41]

---

[37] See *"Aro II"* case, 377 U.S. at 485-486 and fn. 6 therein; also *"Aro I"* case, 365 U.S. at 366.

[38] "Hearings Before Subcommittee No. 3 of the House Committee on the Judiciary, House of Representatives, 82d Cong. 1st Sess., on H.R. 3760, 'A Bill To Revise And Codify The Laws Relating To Patents And The Patent Office And To Enact Into Law Title 35 Of The United States Code, Entitled Patents'," June 1951, Serial No. 9 [herein called "Congressional Hearings on the 1952 Patent Act"].

[39] Ibid., p. 151. [Emphasis added.]

[40] See House and Senate Reports cited fn. 13, *supra,* H.R. Rep. 1923, p. 9, and S. Rep. 1979, p. 8.

[41] In contrast, however, the House and Senate Reports discuss in detail provisions of Sections 271(b), (c), and (d) intended to overrule inconsistent pre-1952 decisions relating to contributory infringement and patent misuse.

The June 1951 "Congressional Hearings on the Patent Act of 1952" and the July 1952 passage of that Act occurred only a short time after this Court's 1950 decision in the *Graver Tank* case. When the 1952 Act was passed, *Graver Tank* was this Court's leading decision on the law for determining patent infringement under the statutory claim provisions of R.S. 4888 readopted by Congress in 1952 (35 U.S.C. 112, 2d par.).

When Judge Rich stated in the June 1951 "Congressional Hearings" that Section 271(a) was a "codification" of the law on "direct infringement" and the "Reviser's Notes" and House and Senate Reports of July 1952 state that section 271(a) is "declaratory" of patent infringement, it is unreasonable to conclude that Congress did not take into account the leading 1952 *Graver Tank* case wherein this Court aptly re-articulated long-standing rules for determining patent infringement *including the doctrine of equivalents.*

The entire legislative history of the 1952 Patent Act shows that Congress intended to codify then prevailing patent law excepting where the statutory text and the legislative history indicate intent to revise prior statutory and/or case law.[42]

---

[42] See House and Senate Reports cited in fn. 13, *supra;* especially H.R. Rep. 1923 on "History of Present Bill", p. 2-3 and on "General Description of Bill", p. 5, and S. Report 1979 on "Purpose" and "Statement", pp. 1 and 3. Also see "Federico Commentary on the 1952 Act", 35 U.S.C.A., Col. 1, pp. 6-9, and "Rich Article on 1952 Act", cited fn. 14 *supra.*

D. THE LONG-STANDING LAW FOR DETERMINING PATENT INFRINGEMENT INCLUDING THE DOCTRINE OF EQUIVALENTS AS LEGISLATIVELY RATIFIED BY THE 1952 PATENT ACT IS SOUND, EQUITABLE AND WORKABLE LAW, AND IT SHOULD NOT NOW BE REJECTED BY THIS COURT

The long-standing law of patent infringement, including the doctrine of equivalents explicated in the 1950 *Graver Tank* case, as legislatively ratified by the 1952 Patent Act, may be summarized as follows:[43]

Point 1. The terms of a patent claim must be construed by reading the claim in the light of the patentee's disclosure and the pertinent prior art.[44]

Point 2. To determine whether the accused device infringes the patent, the accused device is compared with the patentee's device as disclosed in the patent to determine whether both the patented and accused devices are substantially the same in construction, mode of operation, and result.[45]

Point 3. Assuming that the court finds affirmatively as to Point 2 above, "resort must be had in the first instance to the words of the claim. If accused matter falls clearly within the claim, infringement is made out and that is the end of it."[46]

Point 4. However, if there is no literal claim infringement according to Point 3 above, the

---

[43] For clarity and simplicity of language the discussion in Points 1 to 10 below assumes the patented invention is a device. An analogous approach would be used if the patent relates to a manufacture, composition of matter, or process, see 35 U.S.C. 101.

[44] *Graver Tank, supra,* pages 607-609; *United States* v. *Adams,* 383 U.S. 39, 49 (1966).

[45] *Graver Tank, supra,* at 608.

[46] Id., at 607.

"courts have also recognized that to permit imitation of a patented invention which does not copy every literal detail would be to convert the protection of the patent grant into a hollow and useless thing. Such a limitation would leave room for—indeed encourage—the unscrupulous copyist to make unimportant and insubstantial changes and substitutions in the patent which, though adding nothing, would be enough to take the copied matter outside the claim and hence outside the reach of law. . . . [That] would place the inventor at the mercy of verbalism and would be subordinating substance to form . . ." [47]

Point 5. "The doctrine of equivalents evolved in response to this experience [of Point 4 above]. The essence of the doctrine is that one may not practice a fraud on a patent . . . . 'To . . . prevent an infringer from stealing the benefit of the invention' a patentee may invoke this doctrine to proceed against the producer of a device 'if it performs substantially the same function in substantially the same way to obtain the same result.' " [48]

Point 6. "The doctrine operates not only in favor of the patentee of a pioneer or primary invention, but also for the patentee of a secondary invention consisting of a combination of old ingredients which produce new and useful results. . . . although the area of equivalence may vary under the circumstances . . ." [49]

[47] Id.

[48] Id., at 608.

[49] Id.

Point 7. "The wholesome realism of this doctrine is not always applied in favor of a patentee but is sometimes used against him. Thus, where a device is so far changed in principle from a patented article that it performs the same or a similar function in a substantially different way, but nevertheless falls within the literal words of the claim, the doctrine of equivalents may be used to restrict the claim and defeat the patentee's action for infringement."[50] That is, the court decides negatively as to Point 2, above.[51]

Point 8. "What constitutes equivalency must be determined against the context of the patent, the prior art, and the particular circumstances of the case . . . Consideration must be given to the purpose for which an ingredient is used in a patent, the qualities it has when combined with the other ingredients, and the function which it is intended to perform. An important factor is whether persons reasonably skilled in the art would have known of the interchangeability of an ingredient not contained in the patent with one that was."[52]

---

[50] Id., at 608-9.

[51] This reverse application of the doctrine of equivalents prevents a holding of patent infringement when the claims literally cover the accused device but there is no infringement in fact because the accused device is a "different animal" from the patented device. This is one of the most salutary aspects of the doctrine of equivalents as explicated in the 1950 *Graver Tank* case. Yet this has been completely ignored by the AD brief and would be eliminated if the proposals of that brief were adopted by this Court. Further, see Part VI-E hereof below.

[52] *Graver Tank, supra,* 339 U.S. at 609.

Point 9. "A finding of equivalence is a determination of fact. Proof can be made in any form: through testimony of experts or others versed in the technology; by documents, including texts and treatises; and, of course, by the disclosures of the prior art. Like any other issue of fact, final determination requires a balancing of credibility, persuasiveness and weight of evidence."[53]

Point 10. Even though the literal terms of the patent claim are avoided so that infringement is not literal within Point 3 above, if the changes of the accused device which avoid literal infringement are within the doctrine of equivalents according to the above, then the patent is infringed.[54]

Moreover the determination of infringement by applying the doctrine of equivalents according to the *Graver Tank* case (as summarized in Points 1 to 10 above) must be considered in light of the "file wrapper estoppel" rule according to the case of *Exhibit Supply Co.* v. *Ace Patents Corp.*, 315 U.S. 126 (1942),[55] and others.[56]

---

[53] Id., at 609-10.

[54] Id., page 607-609, and 612.

[55] File wrapper estoppel under *Exhibit Supply* bars recourse to the doctrine of equivalents in cases where the patentee attempts to secure through equivalents what has been rejected by the Patent Office. It prevents application of the doctrine of equivalents to *recapture* coverage which the patentee first sought and then surrendered by amendment in order to obtain the Examiner's assent to his claims.

[56] Among other cases so holding, see *Union Carbide & Carbon Corp.* v. *Graver Tank & Mfg. Co.*, 196 F.2d 103, 107 (7th Cir. 1952); *cert. denied*, 343 U.S. 967 (1952), hereinafter called the "7th Cir. *Graver Tank* 2d case", further discussed below.

When the doctrine of equivalents according to the 1950 *Graver Tank* case is reasonably and intelligently applied subject to (1) the conditions and qualifications stated in *Graver Tank* and (2) the file wrapper estoppel rule of *Exhibit Supply*, the patentee is effectively prevented "from running wild" in attempting to unduly expand his claims and unwarrantedly assert and establish patent infringement. A good example of the practical working of the doctrine of equivalents of the 1950 *Graver Tank* case in conjunction with the file wrapper estoppel rule of *Exhibit Supply* is found in the 7th Cir. *Graver Tank* 2nd case, *supra*. In the latter case, the court delineated the lawful enforceable scope of the very claims held valid and infringed by this Court in the 1950 *Graver Tank* case, and thus reached a conclusion of non-infringement of that same patent with respect to certain modified accused compositions later adopted by the defendant. Many similar example of file wrapper estoppel in conjunction with the doctrine of equivalents as above stated may be found in other cases dealing with patent infringement under the Patent Act of 1952.

Therefore, the present law of patent infringement including the doctrine of equivalents as set forth in the 1950 *Graver Tank* case is sound, equitable, workable patent law. This was legislatively ratified and codified by Congressional enactment of sections 112 and 271(a). Such law is an integral part of the federal statutory patent scheme adopted by the Congress under the 1952 Patent Act, and it implements the policy and goals of the patent system as established by Congress.

E. THE LITERAL CLAIM SYSTEM PROPOSED IN THE AD BRIEF WOULD THWART THE PUBLIC POLICY OF THE PATENT SYSTEM AS EXPRESSED BY THIS COURT.

The ease with which patent claims could be circumvented if narrowly limited to their literal scope presents an important issue of basic patent policy. The AD brief acknowledges the desirability of encouraging *inventing around* legitimate inventions as expressed by previous decisions of this court.[57] Indeed, inventing around existing patents is clearly "contributing to the progress of the useful arts" in the truest sense of the Constitution.[58] However, if the rule of literalism were adopted by this Court there would no longer be any incentive to "invent around" in substance since mere trivial deviations would suffice to avoid the inventions recognized by the grant of patents.

The patent statutes make it mandatory that a patent application be prepared in the early stages of development of an invention,[59] prior to the time that the invention is likely to have received any substantial commercial exposure. The public purpose served by this policy is the creation and early publication of a fund of technological information which may serve as a base for further substantive advances in the useful arts. However, as elsewhere in life, the achievement of this policy has its price, namely, that the patent application and claims must be prepared at a point in

---

[57] AD brief, para. bridging pages 16-17.

[58] No doubt this is why the Constitution provides for exclusive rights instead of honors and emoluments. As one astute patent lawyer has observed, "Few laymen seem to understand that it's the monopoly that promotes the progress."

[59] 35 U.S.C. 102(b).

time where neither the inventor nor his attorney know or could know the specific details of all final commercial embodiments. Thus it is that patent applications are prepared and claims are drawn on the basis of what must be classified as imperfect knowledge from a commercial and industrial standpoint.

Considering the other side of the coin, it is common knowledge that the Patent Office has for years been laboring under the burden of a very considerable backlog of pending patent applications. As a result, the time that a Patent Examiner may devote to any given patent application, and particularly to the claims thereof, is strictly limited.[60]

Thus, in the case of an average patent, the specification and claims represent the best efforts of the inventor, attorney, and Patent Examiner on the basis of incomplete commercial knowledge and under cer-

---

[60] The total time that a Patent Examiner can devote to a patent application must include the following: (1) A thorough study of the specification and drawings in order to understand the invention, (2) a search through the prior art to discover any pertinent prior patents, (3) a study of such pertinent prior patents to enable the Examiner to understand their operation, (4) a comparison of the disclosures of these patents to the original claims, (5) the preparation of an Office Action usually rejecting at least certain claims over the prior patents for specifically expressed reasons, and (6) consideration of written responses of the inventor. In the average case, two Office Actions are necessary, plus at least one conference with the inventor's attorney. A generous estimate would be that of this total time, the Examiner spends in the order of one-third to one-fourth in detailed consideration of the language of the claims.

tain practical time limitations, particularly as to the claims.[61]

However, if at any time during the seventeen year life of the patent, its claims are tested in infringement litigation, unlimited legal warfare ensues and literally thousands of man hours are devoted to an unbelievably thorough and comprehensive study of and attack upon those same claims. Further, the study of the claims in a patent infringement situation occurs in a markedly different economic environment and against a different factual background. Specifically, the inventive concept has been embodied in a commercial device, has achieved sufficient commercial success to warrant a competitor to copy, and most probably has been commercially presented in multiple embodiments. In short, the invention at that time represents a profit-making business such that the attack upon the claims warrants the expenditure of a hundred-fold more time and money than could conceivably have been mustered or justified by the inventor in fulfilling his bargain of disclosure to the public in exchange for the patent. Under such circumstances, it should be self-evident that it would be literally impossible for even the most brilliant attorney and Patent Examiner to foresee, predict and obviate every facet of alleged

---

[61] The total time which an attorney devotes to the preparation of a patent application must encompass: (1) Discussions with the inventor in order to understand the invention, (2) laying out the patent drawings including conferring with the draftsman, (3) drafting and redrafting the specification which provides the detailed technical description of the invention, (4) drafting the claims, (5) studying the prior patents cited by the Examiner, (6) amending the claims and preparing written responses to the Office Actions, and (7) conferring with the Examiner.

claim deficiency or limitation which will be conceived and urged in the commercial onslaught on the patent, *after* it has been commercially proven.

While the AD brief credits patent attorneys with being "certified experts",[62] we of the APLA, representing the entire spectrum of the patent bar, hereby disown the omniscience, prescience, and sheer genius which would be required to cope with the gross inequity and unworkability of the system which is proposed in the AD brief.

Claims are communications of the inventor's intellectual conceptions developed by him after research and experiment. However, words, the outer wrappings used to bundle ideas for delivery to auditors and readers, are often tools for tortured logic. Most claims, like all communications, are open to as many interpretations as the ingenuity of counsel can conjure up. However, practicality of meaning, as embodied in the direct and reverse application of the doctrine of equivalents, steps in and arrests such runaway arguments.

The semantic or virtually semantic approach proposed in the AD brief would eliminate the leaven of practicality and reality provided by this beneficial doctrine.

If attorneys are forced to cope with a semantic or virtually semantic system, it should be evident that there will be a predictable tendency to press for more vague and comprehensive claims as well as an overall increase in the number of claims to be examined. This will in turn create a very large multiplication of Patent

[62] AD brief, page 16, fn. 10.

Office appeals and Patent Office litigation. Under such circumstances, and the present backlog of pending patent applications, the Patent Office could not hope to cope with such an addition to its existing burdens without encountering very serious administrative problems. The same would be true with respect those courts which handle appeals from Patent Office decisions.

It is sound public policy to require inventors and their attorneys to particularly point out and distinctly claim the subject matter which the inventor regards as his invention.[63] We submit that it would be contrary to that public policy to now jettison a doctrine which has been explicated by this Court for one hundred years, particularly as in *Graver Tank,* in favor of a "fundamentally revised"[64] test which would take at least twenty-five years for reasonable delineation.

F. AD BRIEF CONTENTION THAT PASSAGE OF 1890 ANTITRUST LAWS NOW REQUIRES REJECTION OF THE GRAVER TANK CASE AND DOCTRINE OF EQUIVALENTS IS REFUTED BY HISTORY OF ANTITRUST AND PATENT LEGISLATION INCLUDING THE 1952 ACT AND BY DECISIONS OF THIS COURT

The AD brief contends that the long-standing doctrine of equivalents explicated in the 1950 *Graver Tank* case interpreting the 100 year old pertinent statutory patent claim provisions[65] cannot be reconciled with the 1890 passage of the first antitrust laws after the 1853 *Winans* decision on the doctrine of equivalents. It is further contended that the 1890 passage of the federal antitrust laws "added a new dimension"

---

[63] See *Graham* v. *John Deere Co.*, 383 U.S. 1, (1966).

[64] AD brief, page 2.

[65] R.S. 4888 readopted in 35 U.S.C. section 112, par. 2 (1952).

now requiring restrictive interpretation of patent claims thereby limiting U. S. patent rights because of "dominant" congressional policy according to the antitrust laws.[66]

All federal antitrust laws are based on the "commerce clause" of Article I, Section 8 of the Constitution which also contains the "patent clause" on which the federal patent laws are based.[67]

Thus, both the patent statutory scheme and the antitrust statutory scheme are established by Congress, to which the Constitution delegates all legislative power with respect to both patent and antitrust laws, under Article I, Section 8.

The patent system adopted by Congress seeks to promote U. S. technical, economic and social progress by granting limited exclusive patent rights in order to encourage (1) early invention disclosures and nonreliance on trade secrets, (2) competition by real innovations instead of copying, and (3) risk capital for commercializing speculative inventions.[68] The

---

[66] For such contentions, see AD brief, pp. 12-13 and elsewhere. That the AD brief is historically and legally erroneous in its assertions regarding the pertinent patent statutes and patent claim practice thereunder is shown in Parts VI-C-3 to 5 hereof, pages 12-21, *supra*.

[67] See Constitution, Article I, Section 8, Clause 3 ("Commerce clause") and Clause 8 ("Patent clause").

[68] See "Study No. I" by Vannevar Bush for the Patent Trademark and Copyright Subcommittee of the U. S. Senate Committee on the Judiciary, 84th Cong., 2d Sess. (1956), especially p. 1; also note the following comment attributed to President Franklin D. Roosevelt on the cover of Critique of "Report of the President's Commission on the Patent System" by George N. Robillard: "Patents are the Key to our Technology, Technology is the Key to Production, and Production is the Key to Victory."

statutory patent scheme established by Congress is as much as part of the overall federal policy regarding competition as is the antitrust law.

It is Congress which decides and establishes the national policy and statutory schemes for appropriate balance between the federal patent and antitrust laws. Congress did so when it passed the 1952 Patent Act; that is recognized in this Court's 1964 decision in the *"Aro II"* case, *supra.*

Since at least 1912, this Court has frequently considered and ruled on the interrelationship of the federal patent and antitrust statutes and the resultant effect on the limited exclusive rights granted under U. S. patents. In a long line of cases, beginning with the 1912 *Dick* case[69] and 1917 *Motion Picture* case[70] and continuing to the 1944 *"Mercoid* cases,"[71] this Court rendered numerous decisions on the enforceable scope and limitations of patent rights in light of the involved patent claims and various accused commercial activities. That is established by merely reading the majority opinion in the *"Mercoid* I" case which cites and reviews dozens of court decisions from 1890 to 1944 regarding the relationship between federal patent and antitrust policy and laws and the resultant effect on U. S. patent rights.

Five of the nine Justices of this Court participating in the 1944 *"Mercoid* cases" also participated in the

---

[69] *Henry* v. *Dick Co.*, 224 U.S. 1 (1912).

[70] *Motion Picture Patents Co.* v. *Universal Film Mfg. Co.*, 243 U.S. 502 (1917).

[71] *"Mercoid Corp.* v. *Mid-Continent Invest. Co.*, 320 U.S. 661 (1944) [called "Mercoid I"]; and simultaneously decided *"Mercoid Corp.* v. *Minneapolis-Honeywell Reg. Co.*, 320 U.S. 680 (1944) [called "Mercoid II"].

1950 *Graver Tank* case. Hence, it is unreasonable to conclude that when this Court rendered the *Graver Tank* decision the Court was unaware of the relationship and balance of patent and antitrust laws which was discussed in such detail in the *Mercoid* cases.

More significantly, as held by this Court in the 1964 *Aro II* case, *supra*, the statutory terms of 35 U.S.C. sections 271(c) and (d) and their legislative history show that Congress overruled the 1944 "*Mercoid* cases" and like pre-1952 patent misuse and corollary antitrust decisions to the extent they are inconsistent with sections 271(c) and (d) of the 1952 Patent Act. In view of detailed consideration of the "*Mercoid*" and similar pre-1952 cases in Congressional proceedings resulting in enactment of new section 271 of the 1952 Act, and the clearly indicated intent of Congress, it is unreasonable to conclude that in passing the 1952 Patent Act, Congress did not consider and decide on the relationship and balance between the federal policies and statutory schemes for both patent and antitrust laws.

By its 1952 enactment of new section 271 and readoption of former R.S. 4888 in the second paragraph of section 112, Congress has spoken on these points against the proposals urged in the AD brief. That should be the end of it since the Constitution delegates to Congress all legislative powers on federal patent and antitrust policies and the statutory schemes to implement them. Hence, the AD brief contention that passage of the first federal antitrust law in 1890 now requires reversal of the 1950 *Graver Tank* case is without merit.

G. CONGRESS HAS SPOKEN IN THE 1952 ACT AND ANY REVISIONARY LEGISLATION SHOULD COME FROM THAT SOURCE UNDER THIS COURT'S ESTABLISHED POLICY

This Court has repeatedly held that it cannot ignore the plain import of a Congressional enactment which has been deliberately drafted after extended considerations by the Congress;[72] and that contentions that Congress could or should have adopted other statutory schemes are matters of policy which rest entirely with the Congress and not with the courts.[73] This Court has refused repeatedly to judicially legislate changes in the law on the grounds of economic, social or other policy when Congress has spoken on the subject by enactment of appropriate legislation. Under the system of government created by our Constitution it is up to the Congress, and not the courts, to decide on the wisdom and utility of such legislation.[74] This is particularly applicable where the Congress is given broad and sweeping powers as in the case of patents under the pertinent provisions of Article I quoted *supra*.[75]

The gravamen of the AD brief is to request this Court to judicially legislate out of existence the doctrine of equivalents as set out in the *Graver Tank* case of 1950, the *Sanitary Refrigerator* case of 1929 and even earlier decisions of this Court applying R.S. 4888, readopted in section 112 of the Act of 1952. This request in the AD brief is founded on an apparent notion that the doctrine of equivalents, in some un-

---

[72] *Sinclair Refining Co.* v. *Atkinson*, 370 U.S. 195, 215 (1962).

[73] Ibid. See also, *Heart of Atlanta Motel, Inc.* v. *United States*, 379 U.S. 241, 261-262 (1964).

[74] *Joseph E. Seagram & Sons* v. *Hostetter*, 384 U.S. 35, 47 (1966).

[75] *Graham* v. *John Deere Co., supra*, 383 U.S. at 6.

specified manner hinders technological progress and discourages commercial enterprise. Thus, the AD brief includes statements concerning the doctrine of equivalents such as the following:

"hindering . . . creative enterprise," page 2;

"hinders . . . technological progress," page 3;

"importance of the issue to the national economy," page 3;

"discourages inventive efforts and commercial enterprises," page 5;

"confers economic advantage on the patentee," page 5;

"economic impact tends to undermine the paramount public interest in competitive technological advancement," page 13;

"prevent competitors seeking to invent around" page 14;

"reaches into the area renounced to the public," page 15; and

"reaches into the public domain," page 15.

We are aware of no factual evidence of record (or legal authority) to support the above statements. The facts available to the Court in this case are those developed by private litigants concerned primarily with a specific agreement pertaining to particular patents.

Since 1967 there has been and now is pending before the Congress a complete codification and revision of the U.S. patent laws based on consideration in depth of the statutory patent scheme and other factors under-

lying federal patent policy including recommendations of the President's Commission on the Patent System appointed in 1965.[76] This Court should direct the Anti-trust Division to the Congress as the appropriate forum for reversing long-standing law legislatively ratified by the Congress in the 1952 Act, instead of seeking judicial legislation from this Court radically altering the statutory patent scheme established by the Congress in 1952 after four years' thorough consideration.

Aside from the viewpoints of Constitutional law, the broad scope of the congressional power to legislate on patents, and this Court's policy not to so legislate, we further submit that the doctrine of equivalents should be retained on the merits because it is good law. The rules of patent infringement according to *Graver Tank* and other similar cases legislatively ratified by congressional enactment of the 1952 Act provide solid and equitable rules fairly balancing the interests of patentees and their competitors. These rules enable those persons to determine infringing or noninfringing activities with reasonable certainty to thereby help achieve the technical, economic, social and other goals of progress of the federal patent system.

VII. CONCLUSION

It is urged that this Court reject the proposals of the AD brief and refuse to reject the doctrine of equivalents as explicated in the *Graver Tank* case and refuse

[76] See page 7, *supra*, and fn. 9, *supra*, wherein this Court took judicial notice of such pending legislation and recommendations of the Presidents Commission in *Graham v. John Deere Co.*, *supra*.

to substitute the "fundamentally revised" standard proposed by the Antitrust Division.

Respectfully submitted,

AMERICAN PATENT LAW ASSOCIATION
2001 Jefferson Davis Highway
Arlington, Virginia 22202
FRANK L. NEUHAUSER,
President

JOHN F. WITHERSPOON
300 Munsey Building
Washington, D. C. 20004

ROBERT E. LEBLANC
WILLIAM L. MATHIS
HENRY SHUR

Attorneys

Arlington, Virginia
January 28, 1970

REME COURT, U. S.

FILED

JAN 30 1970

JOHN F. DAVIS, CLERK

Supreme Court of the United States

October Term, 1969

No. 445

STANDARD INDUSTRIES, INC.,
Petitioner,

v.

TIGRETT INDUSTRIES, INC., *et al.*,
Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

PETITION FOR CERTIORARI FILED AUGUST 8, 1969
CERTIORARI GRANTED OCTOBER 27, 1969

PETITIONER'S REPLY BRIEF

MAXIMILIAN BADER,
I. WALTON BADER,
Attorneys for Petitioner,
274 Madison Avenue,
New York, N. Y. 10016.
Telephone: (212) LE 2-6860

Supreme Court of the United States

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC.,

Petitioner,

v.

TIGRETT INDUSTRIES, INC., *et al.*,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

PETITION FOR CERTIORARI FILED AUGUST 8, 1969
CERTIORARI GRANTED OCTOBER 27, 1969

PETITIONER'S REPLY BRIEF

This short Reply Brief is being submitted to clarify the situation with respect to, "file wrapper estoppel" involved in the Claims of the Patent in suit.

This Reply Brief also discusses the Respondent's contention that Petitioner could have contested the validity in the Patent involved, even prior to the decision in *Lear* v. *Adkins*, 89 Supreme Court 1902.

POINT I

File wrapper estoppel is clearly present in this case.

Point III of the Respondent's Brief, in reply to Petitioner's Brief, deals with this issue.

As correctly stated in Respondent's Brief, original Claim 4 was the only original Claim which had the language, "a pair of spaced openings". In Petitioner's Brief the statement is made as follows:

> "* * * it is noted that original Claim 4 of the Application which matured into the Patent involved did not contain this limitation and was rejected by the Examiner upon the Patent to Adamson, in view of the Patent to May * * *."

The term, "a pair of spaced openings" as utilized by Petitioner in its Point II referred to the *complete phrase* which appears in Claim 1 of the Patent in suit and reads as follows:

> "* * * **said base plate having a pair of spaced openings, said draw strings being threaded upwardly through said openings in said base plate and being mutually fixedly engaged above base plate for providing a grip for convenient manipulating for said netting to elevate said base plate by upward pulling on said grip** * * *".

The limitation involved must, of course, be read as including *the entire quoted phrase* and not the commencement thereof which consisted merely of the words, "a pair of spaced openings".

As pointed out by Petitioner in his Point II, the Examiner rejected the *original* claim which *merely* included the initial words, "a pair of spaced openings" without the remainder of the phrase, on Adamson and May. Therefore, the Respondent, in soliciting the Patent involved *deliberately* placed the quoted limitational phrase in his Application in order to avoid a rejection by the Patent Office Examiner.

It is noted that the limited phrase in the allowed Claim requires that draw strings be threaded upwardly through

openings and then must be mutually fixedly engaged above the base plate. The words, "*openings in said base plate*" were, concededly, put into the Application in response to a rejection by the Primary Examiner and, indeed, the Respondent concedes that the portion of the phrase, "said draw strings being threaded upwardly through said openings in said base plate and being mutually fixedly engaged above said base plate" constitutes language which is subject to the doctrine of "file wrapper estoppel".

It is also interesting to note that original Claim 3, if it had been allowed, would have been "infringed" by the Petitioner's structure since this Claim merely requires that a flexible netting surround the base plate and that the netting at its lower end be extended inwardly beneath the base plate.

It is therefore respectfully submitted that, based upon Respondent's own argument, "file wrapper estoppel" is clearly present in this case.

POINT II

Petitioner could not have contested the validity of the patent in suit prior to the decision of this Court in *Lear* v. *Adkins*, *supra*.

In Respondent's Point IV, it is claimed that the Petitioner could have contested the validity of the Patent in suit, even though *Lear* v. *Adkins*, *supra*, had not yet been decided. As pointed out in Petitioner's Main Brief, the law in the Sixth Circuit, *at the time of the trial*, was clearly to the effect that Petitioner could not contest the validity and that it could only introduce prior art to *narrow* the scope of the Claims. The anticipating prior art that Petitioner had in its possession, at the time of the trial, showed that the use of draw strings passing upwardly through a member in order to tighten the draw

attack against the member, was old. This prior art would not have served to *narrow* the Claims but, would have *invalidated* them. Therefore, the prior art involved could not have been introduced by Petitioner under any of the former exceptions permitted.

Nor could Petitioner have introduced evidence of invalidity upon the ground of "evasion." The "evasion" cases cited by Respondent involve a situation where validity of a patent has already been *[illegible]* and prior to the assertion of such defense. This is clearly shown in *Brackett Chemical Co. v. Chesebrough Co.*, 69 Fed. 2nd 953 (cited by Respondent), where the Court said,

> "... that the decision of the District Court for the Southern District of New York on September 11, 1928, was a practical eviction of the Brackett Chemical Company from the enjoyment of the monopolistic rights granted under the license; that the appellant is not estopped to set up such eviction, and, in view of the notice thereof given, the obligation to pay royalties should cease as of the date of such decision, but that all royalties accrued prior to that date must be paid. ..."

(Emphasis supplied.)

CONCLUSION

The complaint herein should be dismissed and Petitioner granted the relief requested.

Respectfully submitted,

Maxwell Haus,
I. Wayne Hicks,
Attorneys for Petitioner
[illegible] Madison Avenue,

SUPREME COURT, U. S.

MAY 13 1970

JOHN F. DAVIS, CLERK

Supreme Court of the United States

October Term, 1969

No. 445

STANDARD INDUSTRIES, INC.,

Petitioner,

against

TIGRETT INDUSTRIES, INC.,

Respondent.

On Writ of Certiorari
To The United States Court of Appeals
For The Sixth Circuit

Petition For Certiorari Filed August 8, 1969
Certiorari Granted October 27, 1969

PETITION FOR RECONSIDERATION

Maximilian Raoul and
J. Walton Raoul
Attorneys for Petitioner
Office and Post Office Address

Supreme Court of the United States

October Term, 1969

No. 445

STANDARD INDUSTRIES, INC.,

Petitioner,

against

DORRIS INDUSTRIES, INC. (Ltd.),

Respondent

On Writ of Certiorari
To The United States Court of Appeals
For The Sixth Circuit

Petition For Certiorari Filed August 8, 1969
Certiorari Granted October 27, 1969

PETITION FOR RECONSIDERATION

application that the matter should be referred back to the District Court for a determination of patent validity.

The four Justices, constituting an even number of an equally divided Court, did not file any opinion affirming the determination of the United States Court of Appeals for the Sixth Circuit.

It is respectfully submitted that, in rendering the majority opinion, the four Justices involved overlooked a very significant point relating to the obligation on the part of Standard Industries, Inc. to pay royalties under U. S. Patent 3,162,865. It is noted that on Page 76a and 77a of the Appendix, an Assignment of this patent was given by Tigrett Industries, Inc. (the Respondent herein) to Jackson Furniture Corporation (an organization not a party to this litigation) and that this Assignment was executed on December 22, 1964 (prior to the institution of the present litigation). On Page 77a of the Appendix, the following clause appears:

> Furthermore, in the further consideration of the transfer and sale of this patent to Jackson Furniture Corporation, in addition to the payment of the purchase price for said patent to be paid pursuant to the agreement aforesaid to the said John Burton Tigrett, my individual, Jackson Furniture Corporation agrees to pay to Tigrett Industries, Inc. for a period of five (5) years after the 31st day of December, 1964, an additional two (2%) per cent on the net selling price of all units sold which units shall embody the use of this patented invention. The net selling price of all units sold shall be the amount received by Jackson Furniture Corporation from the sale of such units, without any deduction for the

counts, commissions or selling expense. Credit may be given for returned goods. * * * "

All play pens involved herein claimed to embody the teachings of United States Letters Patent, 3,163,8[illegible] have not been sold by Standard Industries, Inc., the respondent herein, but by Jackson Furniture Corporation.

Obviously, under the circumstances, Tigrett Industries, Inc. had no title to the patent involved at the times of the institution of this action and therefore the suit involved herein should be dismissed by reason thereof.

The Petitioner regrets that it did not bring this fact more forcefully to the attention of the Court on the argument of this application. However, it is obvious that the facts involved are true and conceded and therefore this Court should dismiss the complaint herein. The facts with respect to the Assignment involved have been, of course, before the Court throughout this proceeding.

It is possible that the Respondent may claim that Jackson Furniture Corporation, while an independent corporation, has stock owned by Standard Industries, Inc. However, under well recognized rules of law, ownership of a subsidiary corporation does not subject the subsidiary to liability for patent royalties unless the subsidiary is a party to the action. It is also possible that the Respondent may claim that Standard Industries, Inc. is liable for royalties of goods sold by its subsidiary, Jackson Furniture Corporation. However, since Jackson Furniture Corporation would then also be liable, the Petitioner would be put in a position where it would be subject to a double liability for royalties on the same sales which, of course, would be an unconstitutional deprivation of property in violation of the Fifth and Fourteenth Amendments to the Constitution of the United States.

As a second ground for urging reconsideration of the prior decision, the Petitioner respectfully submits that this case was decided by an eight justice Court. The principal issue in this case involved the "Doctrine of Equivalants" and whether such doctrine should be permitted to remain in effect in view of the provisions of the Patent Act of 1953. This point was extensively briefed by both sides and *amicus* briefs were filed by the Attorney General and the American Patent Law Association. Presumably, within the next few weeks, there will be a Ninth Justice appointed to this Court. It is respectfully submitted that the questions involved in this case should be considered by said Ninth Justice in view of the fact that an evenly divided Court disposed of this issue in the above case.

Generally, of course, Appellate Courts are composed of an odd number of justices in order to avoid a situation such as occurred in this case. It is respectfully submitted that, since the possibility exists for an additional Justice to consider the issues in this case, and since the case is one of great public importance, that the question be considered by the new Justice who will be undoubtedly sitting on this Court within a very short time.

For all of the above reasons, the Petitioner respectfully requests that the Petition for Reconsideration herein be granted. The Petitioner further requests that a hearing be set by this Court with respect to the issues contained in this Petition.

Certificate of Counsel

I, MAXIMILIAN BADER, a member of the bar of this Court and attorney for the petitioner, hereby certify that this petition for rehearing is made in good faith and not for purposes of delay and there are good grounds, in the opinion of the undersigned, to support this petition.

Respectfully,

MAXIMILIAN BADER and
I. WALTON BADER,
Attorneys for Petitioner
Office and Post Office Address
274 Madison Avenue,
New York, N. Y. 10016.
Telephone: 532-6860 (Area Code 212)